STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

5. MINERAL LEASE NO:	6. SURFACE:
UO-01197-A-ST	State

1A. TYPE OF WORK: DRILL ☑ REENTER ☐ DEEPEN ☐

7. IF INDIAN, ALLOTTEE OR TRIBE NAME:

B. TYPE OF WELL: OIL ☐ GAS ☑ OTHER _____ SINGLE ZONE ☐ MULTIPLE ZONE ☑

8. UNIT or CA AGREEMENT NAME: Natural Buttes Unit

2. NAME OF OPERATOR: EOG RESOURCES, INC.

9. WELL NAME and NUMBER: Natural Buttes Unit 635-12E

3. ADDRESS OF OPERATOR: 1060 East Hwy 40 CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-9111

10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch

4. LOCATION OF WELL (FOOTAGES) 639973X 4424999Y 39.965781
AT SURFACE: 1808' FNL & 1754' FEL 39.965717 LAT 109.385106 LON
AT PROPOSED PRODUCING ZONE: SAME -109.384509

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 12 10S 22E S

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 55.0 MILES SOUTH OF VERNAL, UT

12. COUNTY: Uintah

13. STATE: UTAH

15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)	16. NUMBER OF ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
1754'	1674	Spacing Suspended
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	**19. PROPOSED DEPTH:**	**20. BOND DESCRIPTION:**
3020	7,070	NM 2308
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):	**22. APPROXIMATE DATE WORK WILL START:**	**23. ESTIMATED DURATION:**
5187 GL		45 DAYS

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
17-1/2	13-3/8	H-40	48.0#	0-45	See Attached Eight Point Plan
12-1/4	9-5/8	J-55	36.0#	0-2,300	See Attached Eight Point Plan
7-7/8	4-1/2	N-80	11.6#	Surface-7070	See Attached Eight Point Plan

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
☑ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
☑ COMPLETE DRILLING PLAN
☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Kaylene R. Gardner TITLE Sr. Regulatory Assistant

SIGNATURE [signature] DATE 4/5/2007

(This space for State use only)

API NUMBER ASSIGNED: 43-047-39190

Approved by the
Utah Division of
Oil, Gas and Mining

APPROVAL:

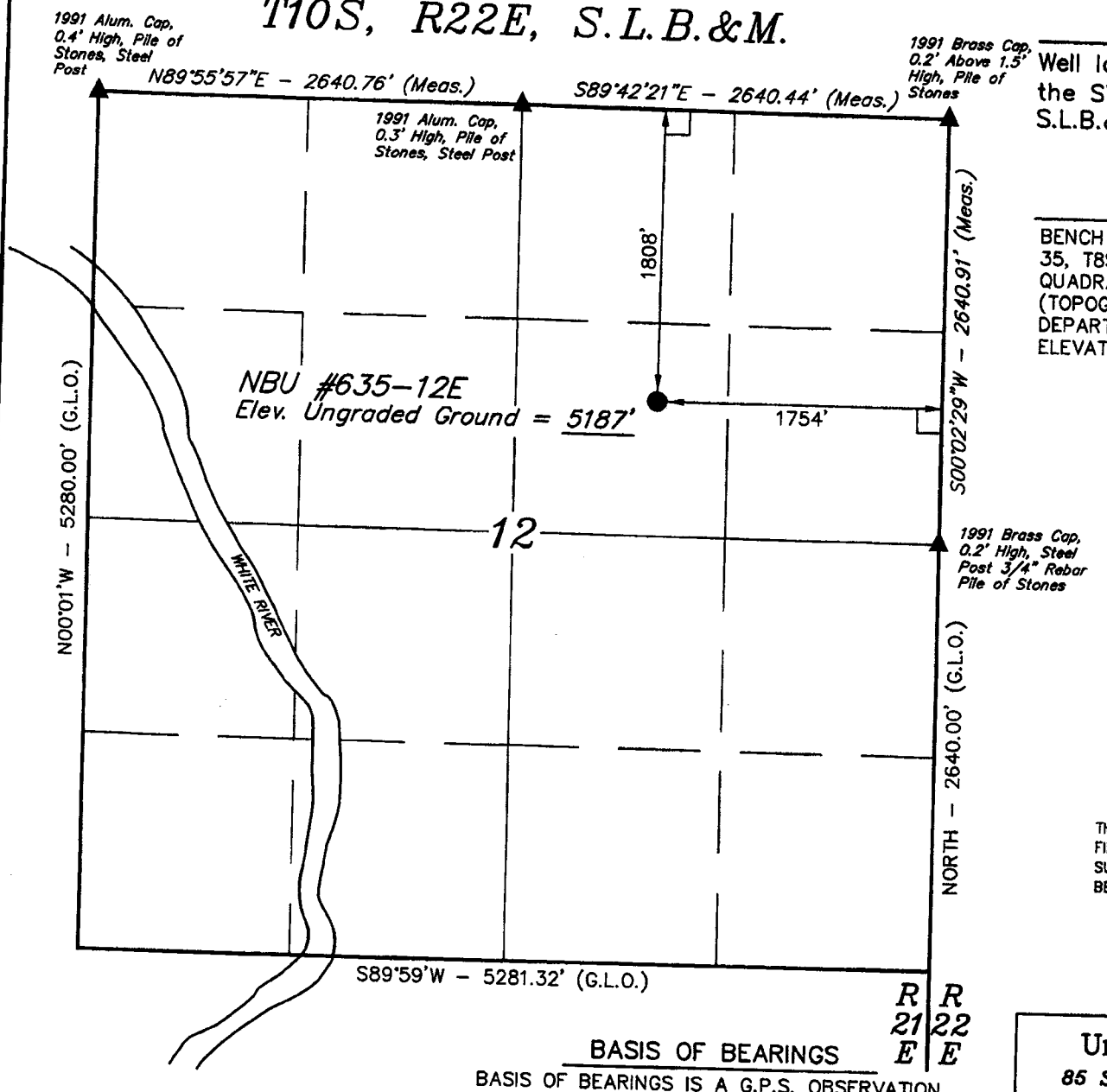
Date: 06-12-07

By: [signature]

RECEIVED
APR 09 2007
DIV. OF OIL, GAS & MINING

(11/2001) (See Instructions on Reverse Side)

T10S, R22E, S.L.B.&M.



BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(NAD 83)
LATITUDE = 39°57'56.58" (39.965717)
LONGITUDE = 109°23'06.38" (109.385106)
(NAD 27)
LATITUDE = 39°57'56.70" (39.965750)
LONGITUDE = 109°23'03.93" (109.384425)

LEGEND:

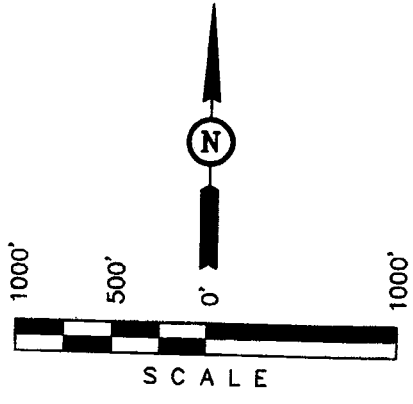
└ = 90° SYMBOL
● = PROPOSED WELL HEAD.
▲ = SECTION CORNERS LOCATED.

EOG RESOURCES, INC.

Well location, NBU #635-12E, located as shown in the SW 1/4 NE 1/4 of Section 12, T10S, R22E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK (20EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE [illegible] WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE: 1" = 1000'	DATE SURVEYED: 03-06-07	DATE DRAWN: 03-13-07
PARTY: C.R. G.S. C.H.	REFERENCES: G.L.O. PLAT	
WEATHER: COOL	FILE: EOG RESOURCES, INC.	

EIGHT POINT PLAN

NATURAL BUTTES UNIT 635-12E
SW/NE, SEC. 12, T10S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,156		Shale	
Wasatch	4,110	Primary	Sandstone	Gas
Chapita Wells	4,652	Primary	Sandstone	Gas
Buck Canyon	5,289	Primary	Sandstone	Gas
North Horn	6,076	Primary	Sandstone	Gas
KMV Price River	6,387	Primary	Sandstone	Gas
TD	**7,070**			

Estimated TD: **7,070' or 200'± below Price River top** **Anticipated BHP: 3,860 Psig**

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	**17 ½"**	**0 – 45'**	**13 ⅜"**	**48.0#**	**H-40**	**STC**	**770 PSI**	**1730 PSI**	**322,000#**
Surface	**12 ¼"**	**0' – 2,300' KB±**	**9-⅝"**	**36.0#**	**J-55**	**STC**	**2020 PSI**	**3520 Psi**	**394,000#**
Production	**7-7/8"**	**Surface – TD**	**4-½"**	**11.6#**	**N-80**	**LTC**	**6350 PSI**	**7780 Psi**	**233,000#**

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe
Insert Float Collar (PDC drillable)
Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

NATURAL BUTTES UNIT 635-12E
SW/NE, SEC. 12, T10S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.
Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: **185 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% $CaCl_2$, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft^3/sk. yield, 23 gps water.

Tail: **207 sks** Class "G" cement with 2% $CaCl_2$, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% $CaCl_2$, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500'above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: **105 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt),0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft^3/sk., 24.5 gps water.

Tail: **605 sks**: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft^3/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

EIGHT POINT PLAN

NATURAL BUTTES UNIT 635-12E
SW/NE, SEC. 12, T10S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):
Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

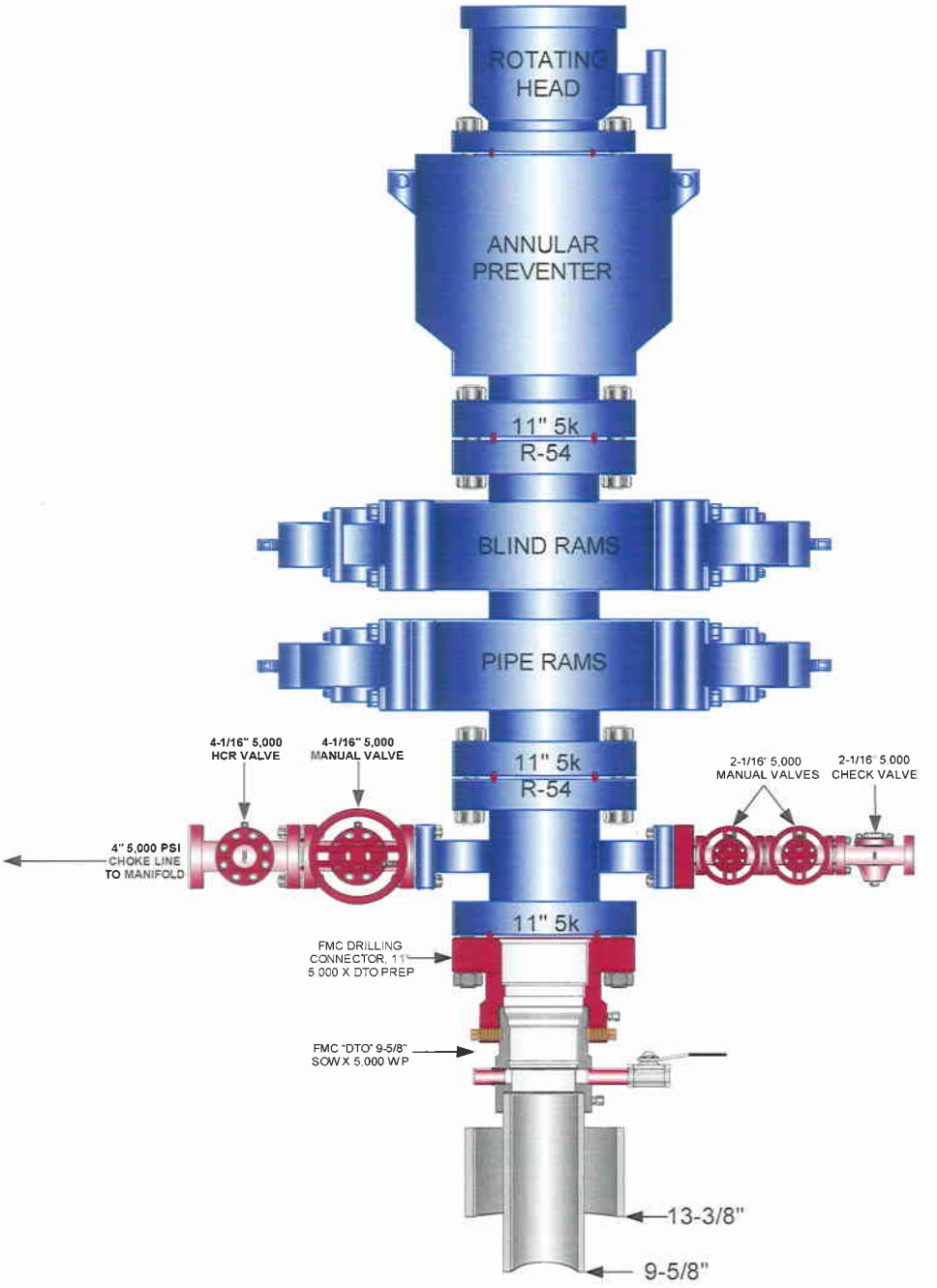
A. Choke Manifold
B. Upper and Lower Kelly Cock
C. Stabbing Valve
D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

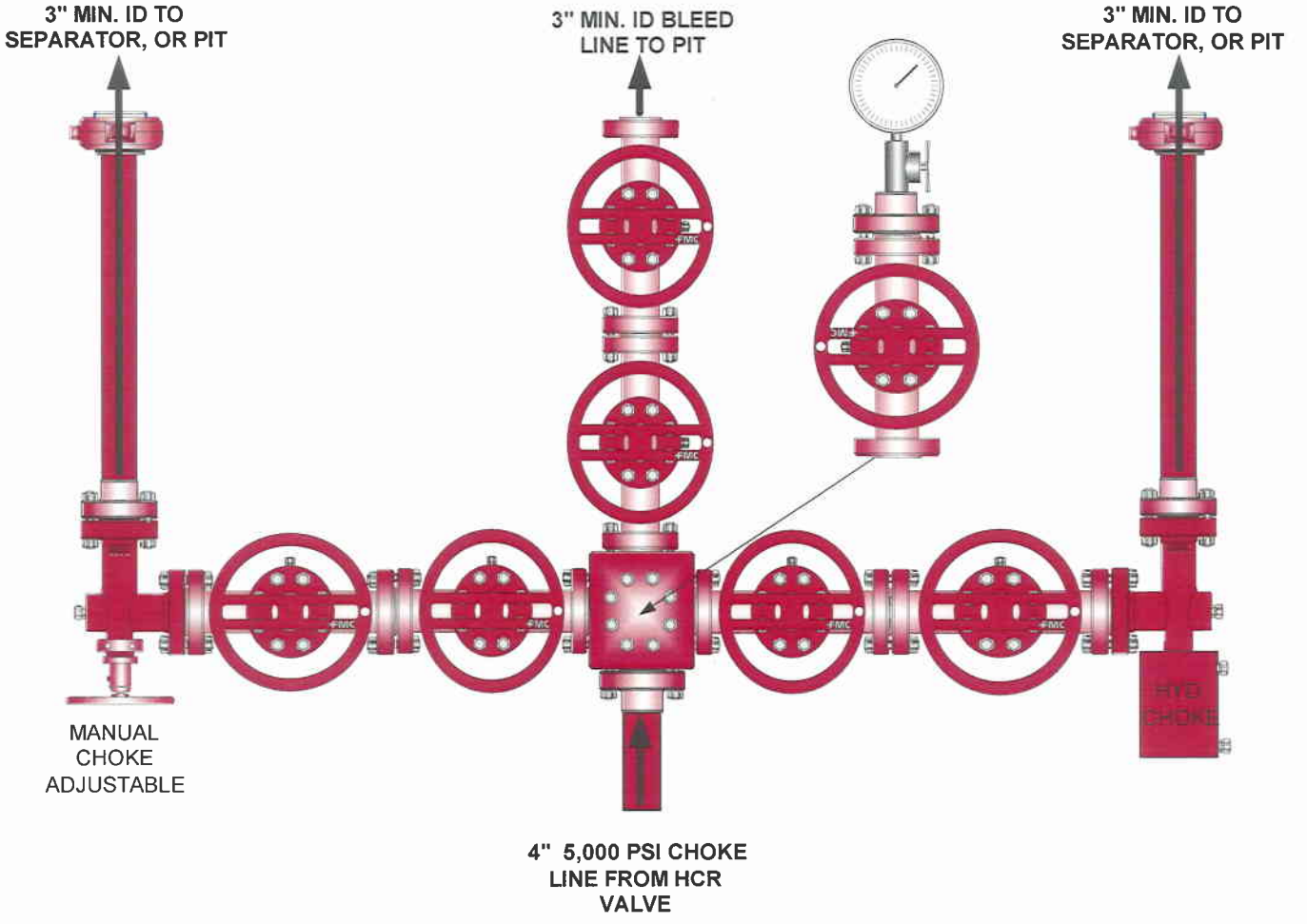
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

EOG RESOURCES 11" 5,000 PSI W.P. BOP CONFIGURATION



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
   Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

eog resources

Natural Buttes Unit 635-12E
SWNE, Section 12, T10S, R22E
Uintah County, Utah

SURFACE USE PLAN

1. EXISTING ROADS:

A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.

B. The proposed well site is located approximately 55.0 miles south of Vernal, Utah – See attached TOPO Map "A".

C. Refer to attached Topographic Map "A" showing labeled access route to location.

D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

A. The access road will be approximately 200' in length. The existing 2-track will be upgraded for an approximate distance of 230' in length. See attached Topo B.

B. The access road has a 30 foot ROW w/18 foot running surface.

C. Maximum grade of the new access road will be 8 percent.

D. No turnouts will be required.

E. Road drainage crossings shall be of the typical dry creek drainage crossing type.

F. No bridges, or major cuts and fills will be required.

G. The access road will be dirt surface.

H. No gates, cattleguards, or fences will be required or encountered.

I. A 30-foot permanent right-of-way is requested. No surfacing material will used.

J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 30 foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

3. *Location of Existing Wells Within a One-mile Radius:*

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. *Location of Existing and/or Proposed Production Facilities:*

A. On Well Pad

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400 bbl vertical tanks and attaching piping.

2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

1. Proposed pipeline will transport natural gas.

2. The pipeline will be a permanent feeder line.

3. The length of the proposed pipeline is 1035' x 40'. The proposed pipeline leaves the southern edge of the well pad (Lease UO-01197-A-ST) proceeding in a northerly, then northeasterly direction for an approximate distance of 1035' tieing into an existing pipeline in the SWNE of Section 12, T10S, R22E. Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.

4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface

5. Proposed pipeline will be laid on surface.

6. A 20-foot permanent pipeline right-of-way is requested. A 40-foot temporary pipeline right-of-way for construction purposes is requested, the temporary right-of-way will be utilized for a 10-day period.

7. The proposed pipeline route begins in the SWNE of Section 12, T 10S, R 22E, proceeding northerly, then northeasterly for an approximate distance of 1035' to the SWNE of Section 12, T 10S, R 22E.

8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All facilities will be painted with Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/ or Target Trucking Inc.'s water source in the SW/SW. Sec 35, T9S, R22E, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.

B. Water will be hauled by a licensed trucking company.

C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIALS:

A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.

B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

1. Cuttings will be confined in the reserve pit.

2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.

3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.

4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 16 millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

8. *ANCILLARY FACILITIES:*

None anticipated.

9. *WELL SITE LAYOUT:*

A. Refer to attached well site plat for related topography cuts and fills and cross sections.

B. Refer to attached well site plat for rig layout and soil material stockpile location.

C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the northeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the east side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil east of corner B. The stockpiled location topsoil will be stored between corners #7 and #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the north.

The reserve pit and/or pad location shall be constructed long and narrow for topographical reasons.

The southwest corner of the well pad will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)

B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.

C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.

D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.

E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. *Interim Reclamation (Producing Location)*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours – See attached Figure #3. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

State of Utah

12. OTHER INFORMATION:

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be

submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.

C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey will be conducted and submitted by Montgomery Archaeological Consultants. A paleontology survey will be conducted and submitted by Intermountain Paleo.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT
Kaylene R. Gardner
EOG Resources, Inc.
P.O. Box 1815
Vernal, UT 84078
(435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Natural Buttes Unit 635-12E Well, located in the SWNE, of Section 12, T10S, R22E, Uintah County, Utah; State land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

April 5, 2007
Date

Kaylene R. Gardner, Sr. Regulatory Assistant

EOG RESOURCES, INC.

NBU #635-12E

LOCATED IN UINTAH COUNTY, UTAH
SECTION 12, T10S, R22E, S.L.B.&M.

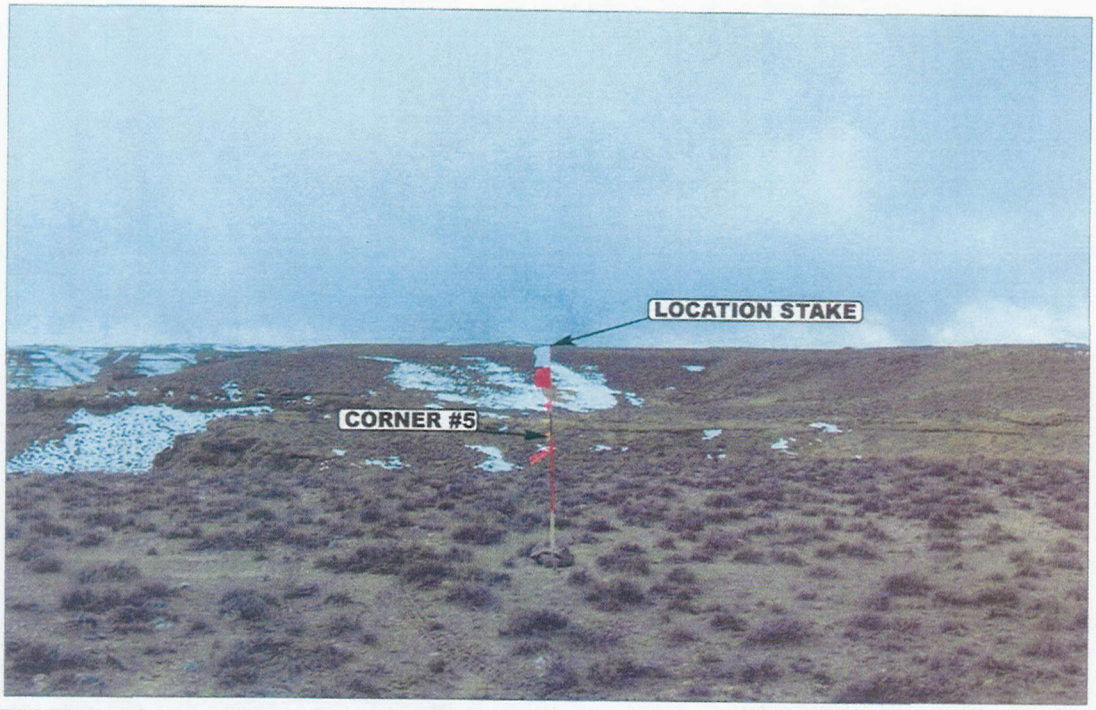


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY

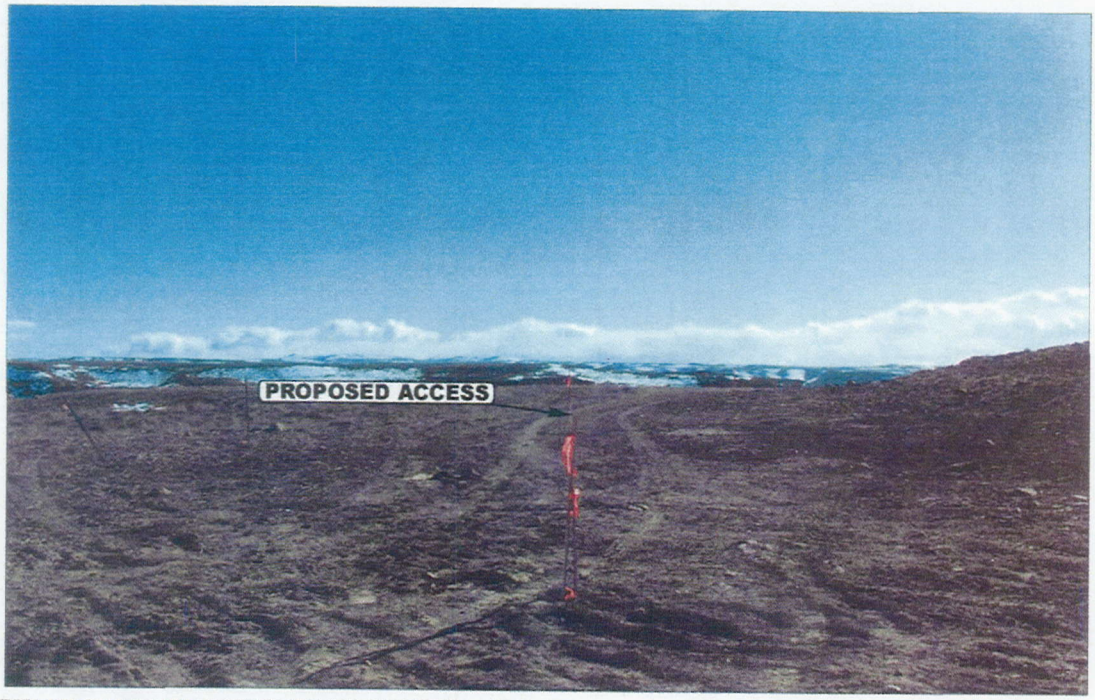


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY

- Since 1964 -

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	03 MONTH	07 DAY	07 YEAR	PHOTO
TAKEN BY: G.S.	DRAWN BY: A.A.	REVISED: 00-00-00		

EOG RESOURCES, INC.
NBU #635-12E
SECTION 12, T10S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 5.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN AN WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 300' TO JUNCTION OF THIS ROAD AND AN EXISTING 2-TRACK TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 230' TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHERLY DIRECTION APPROXIMATELY 200' TO THE PROPOSED LOCATION.

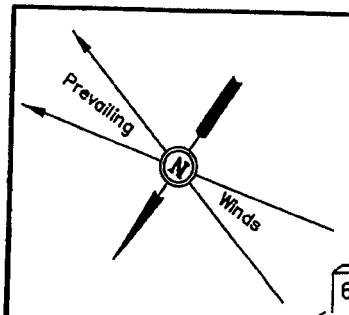
TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.0 MILES.

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

NBU #635-12E
SECTION 12, T10S, R22E, S.L.B.&M.
1808' FNL 1754' FEL

FIGURE #1



SCALE: 1" = 50'
DATE: 03-13-07
Drawn By: C.H.

C-12.5'
El. 91.9'

F-11.2'
El. 68.2'

Topsoil Stockpile

Sta. 3+75

C-14.0'
El. 93.4'

Round Corners as needed

Approx. Top of Cut Slope

NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

111'

200'

40'

30'

Flare Pit

Pit Topsoil

CATWALK

PIPE RACKS

C-7.9'
El. 87.3'

C-7.3'
El. 86.7'

F-9.5'
El. 69.9'

C-17.0'
El. 86.4'
(btm. pit)

RIG

DOG HOUSE

36'

150'

Sta. 1+75

75'

RESERVE PITS (10' Deep)

MUD TANKS

WATER

TRAILER

PUMP

TOILET

MUD SHED

HOPPER

FUEL

Reserve Pit Backfill & Spoils Stockpile

15' WIDE BENCH

150'

Total Pit Capacity W/2' of Freeboard = 12,820 Bbls.± Total Pit Volume = 3,580 Cu. Yds

1:1 1/2 SLOPE

175'

POWER

TOOLS

FUEL

Sta. 0+50

Approx. Toe of Fill Slope

STORAGE TANK

CONSTRUCT DIVERSION DITCH

TRASH

F-4.0'
El. 75.4'

F-13.5'
El. 65.9'

Sta. 0+00

C-18.5'
El. 87.9'
(btm. pit)

20' WIDE BENCH

GRADE
El. 79.4'

Proposed Access Road

Elev. Ungraded Ground at Location Stake = 5186.7'

Elev. Graded Ground at Location Stake = 5179.4'

Existing Drainage

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

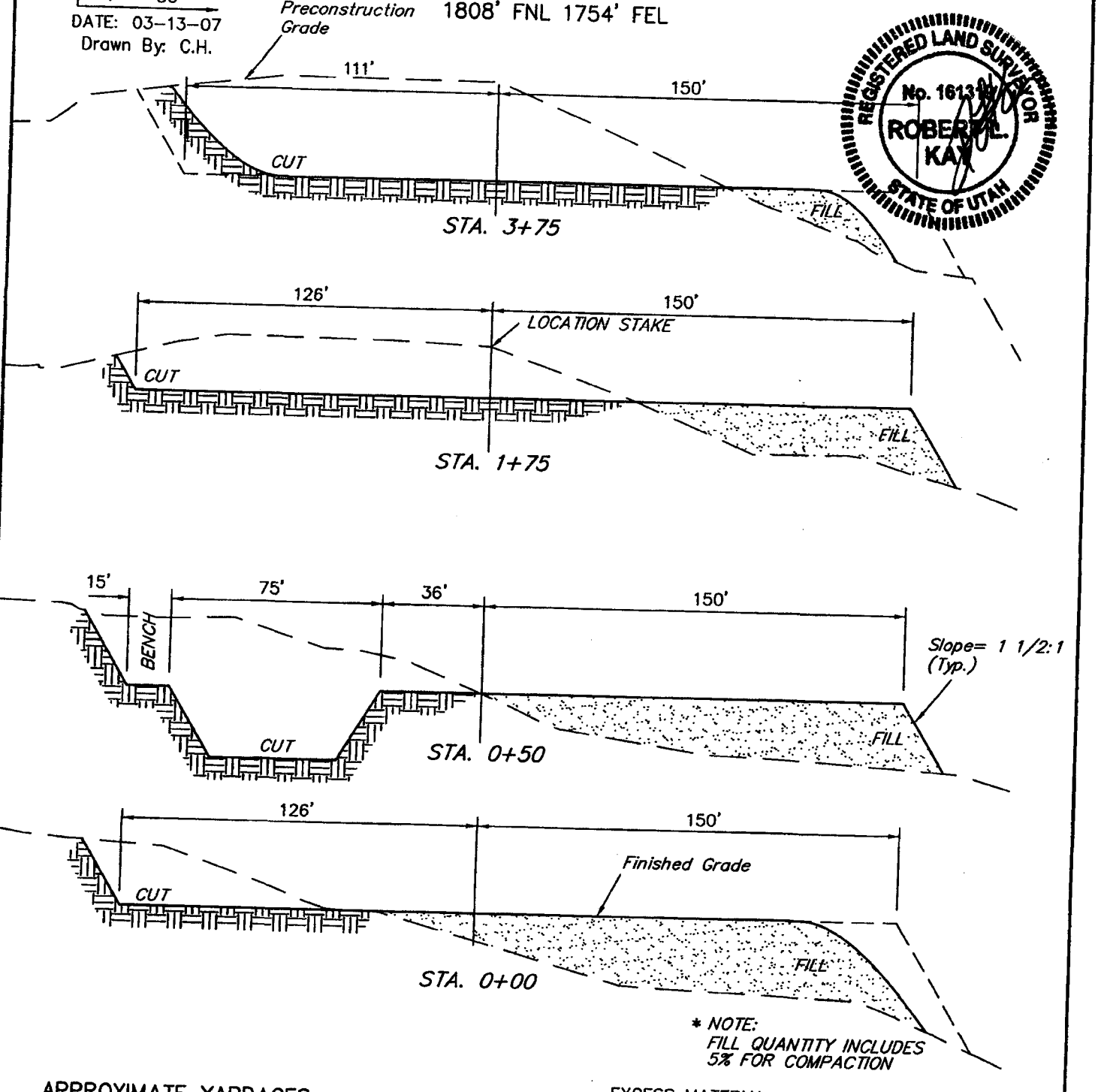
EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

NBU #635-12E
SECTION 12, T10S, R22E, S.L.B.&M.
1808' FNL 1754' FEL

FIGURE #2

1" = 20' X-Section Scale
1" = 50'
DATE: 03-13-07
Drawn By: C.H.



REGISTERED LAND SURVEYOR No. 161319 ROBERT L. KAY STATE OF UTAH

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	2,400 Cu. Yds.
Remaining Location	=	20,210 Cu. Yds.
TOTAL CUT	=	22,610 CU.YDS.
FILL	=	18,420 CU.YDS.

EXCESS MATERIAL	=	4,190 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	4,190 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
*86 So. 200 East * Vernal, Utah 84078 * (435) 789-1017*

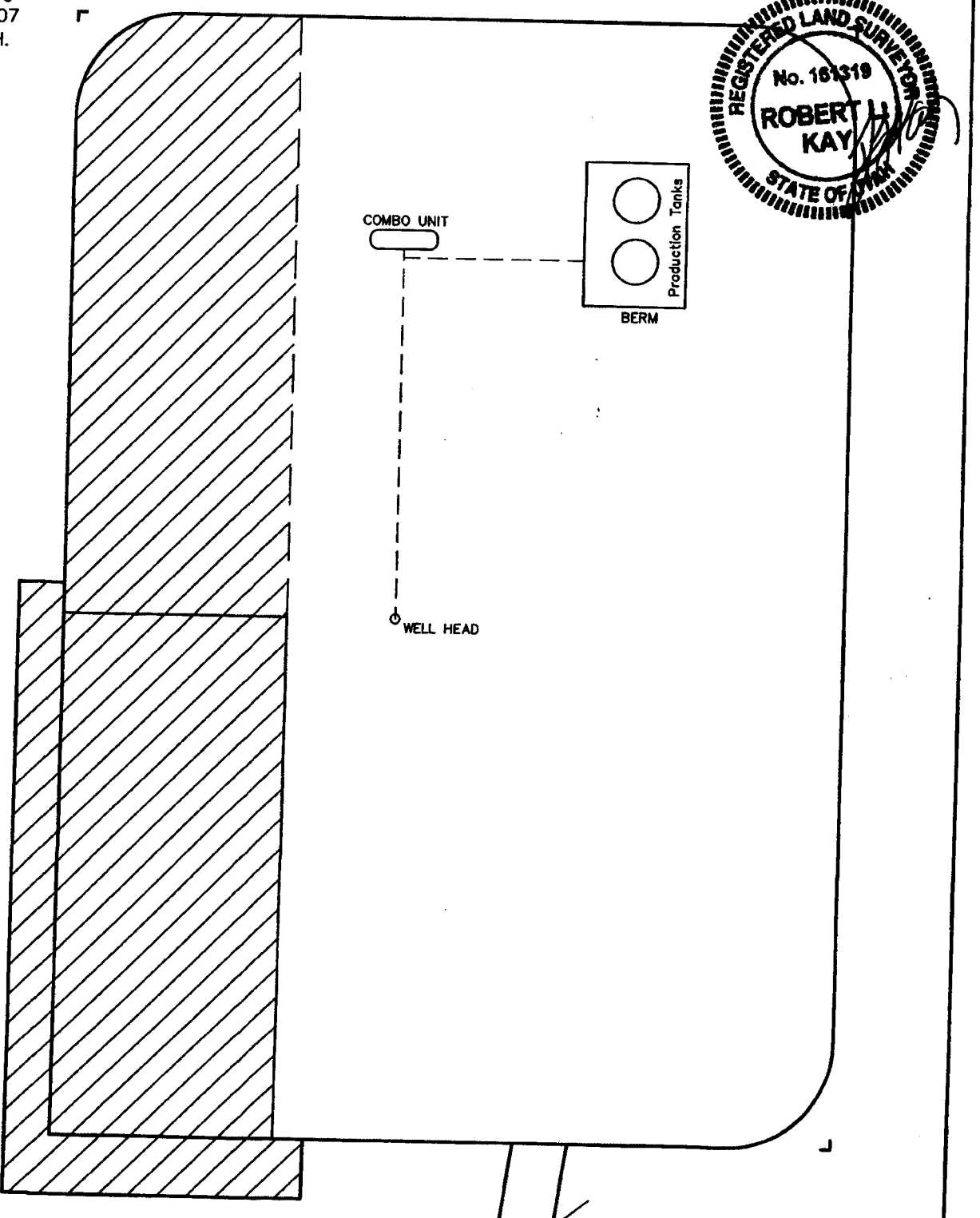
EOG RESOURCES, INC.

PRODUCTION FACILITY LAYOUT FOR

NBU #635-12E
SECTION 12, T10S, R22E, S.L.B.&M.
1808' FNL 1754' FEL

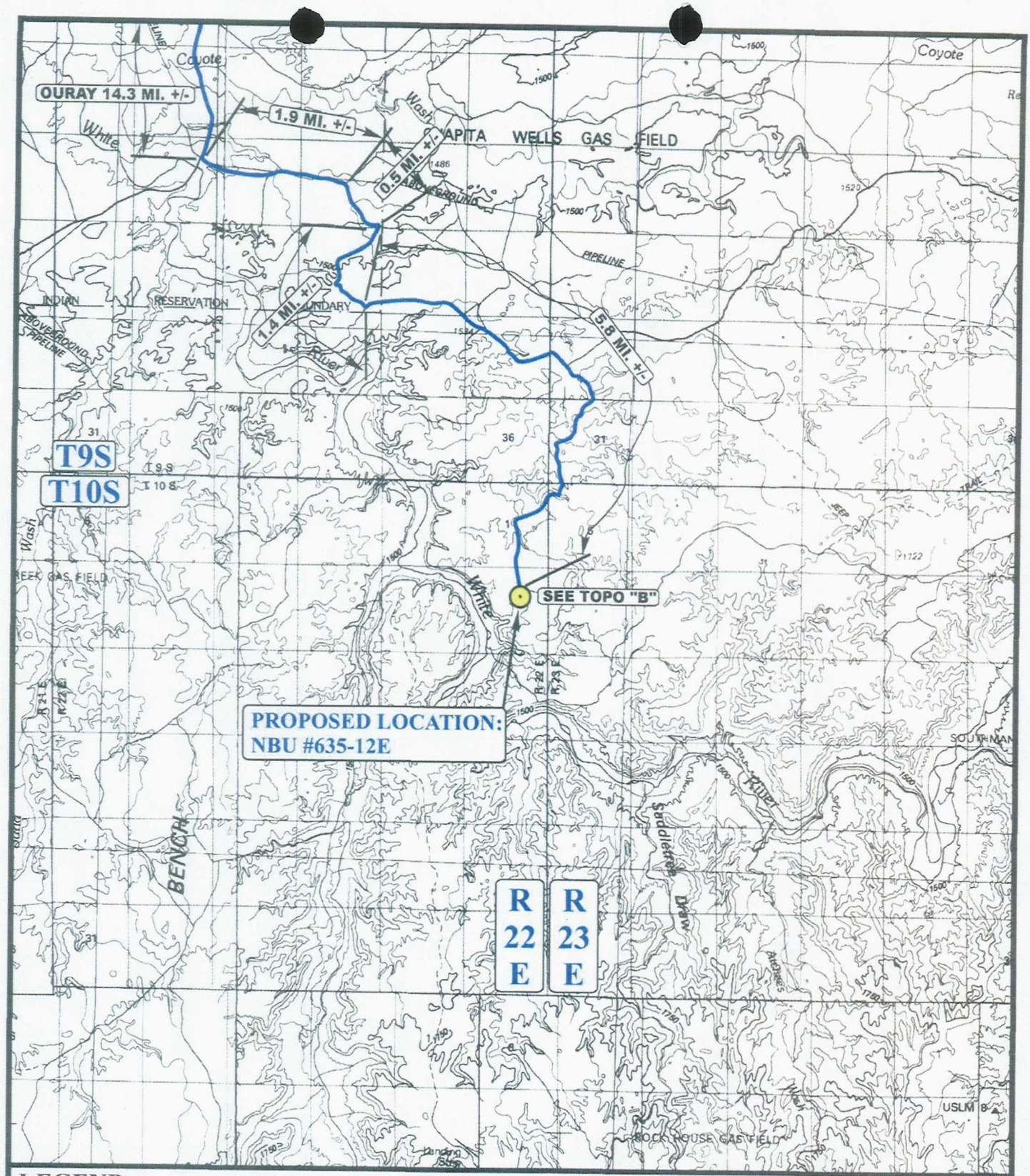
FIGURE #3

SCALE: 1" = 50'
DATE: 03-13-07
Drawn By: C.H.



REGISTERED LAND SURVEYOR
No. 161319
ROBERT H. KAY
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

⊙ PROPOSED LOCATION

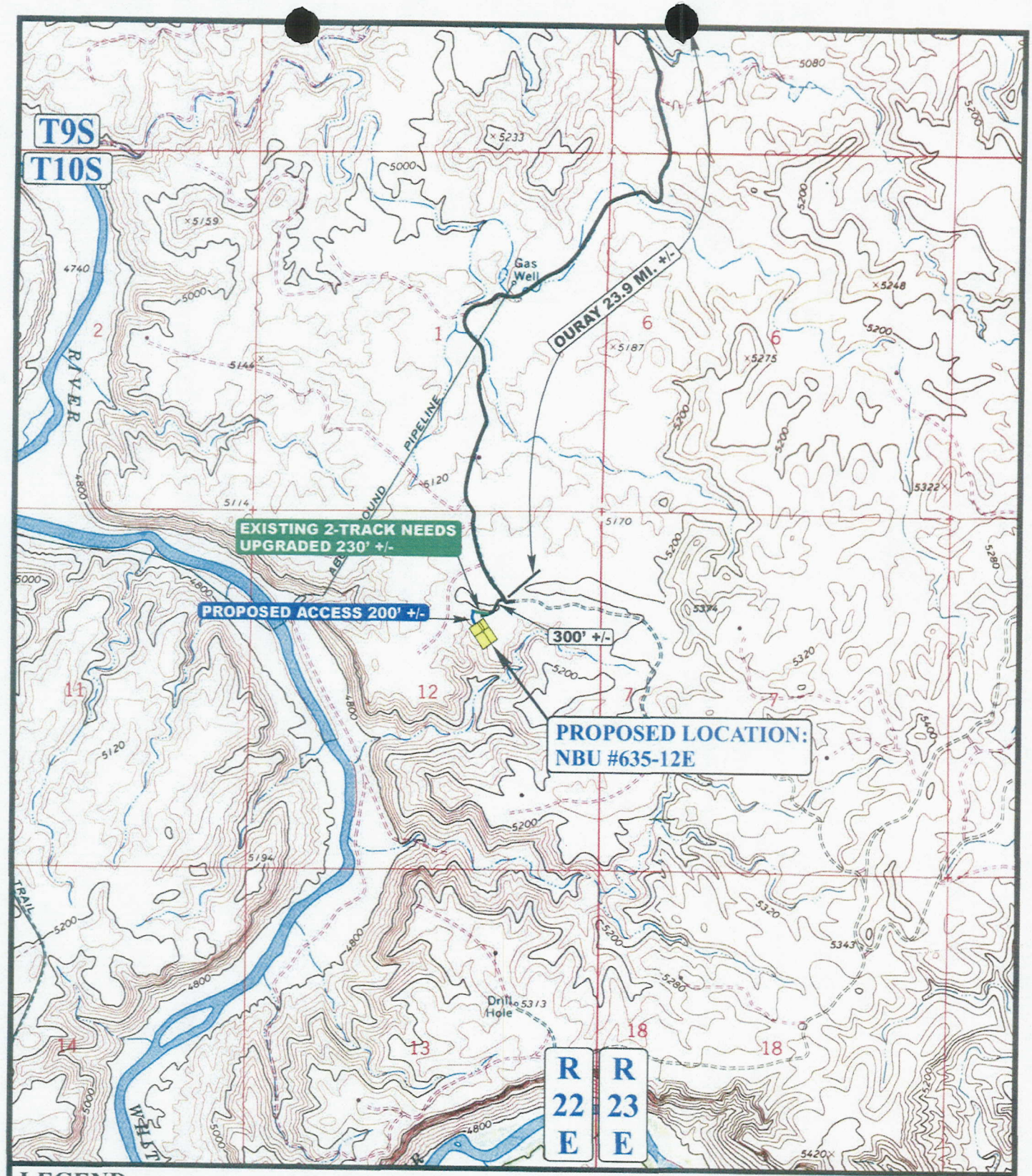
N

EOG RESOURCES, INC.

NBU #635-12E
SECTION 12, T10S, R22E, S.L.B.&M.
1808' FNL 1754' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	03 MONTH	07 DAY	07 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: A.A.	REVISED: 00-00-00		



LEGEND:

EXISTING ROAD

PROPOSED ACCESS ROAD

N

EOG RESOURCES, INC.

NBU #635-12E

SECTION 12, T10S, R22E, S.L.B.&M.

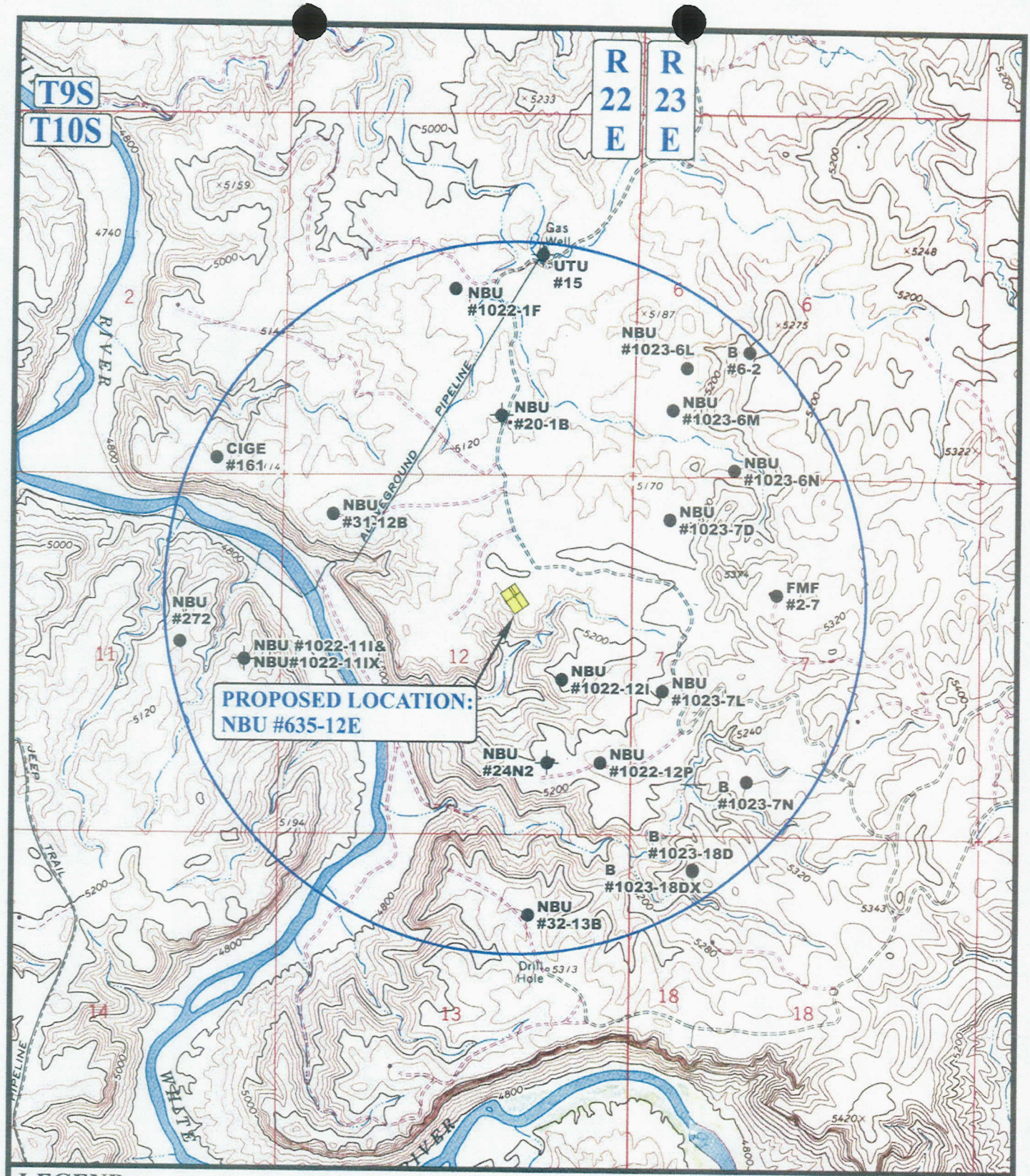
1808' FNL 1754' FEL

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078

(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	03 MONTH	07 DAY	07 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: A.A.	REVISED: 00-00-00		



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

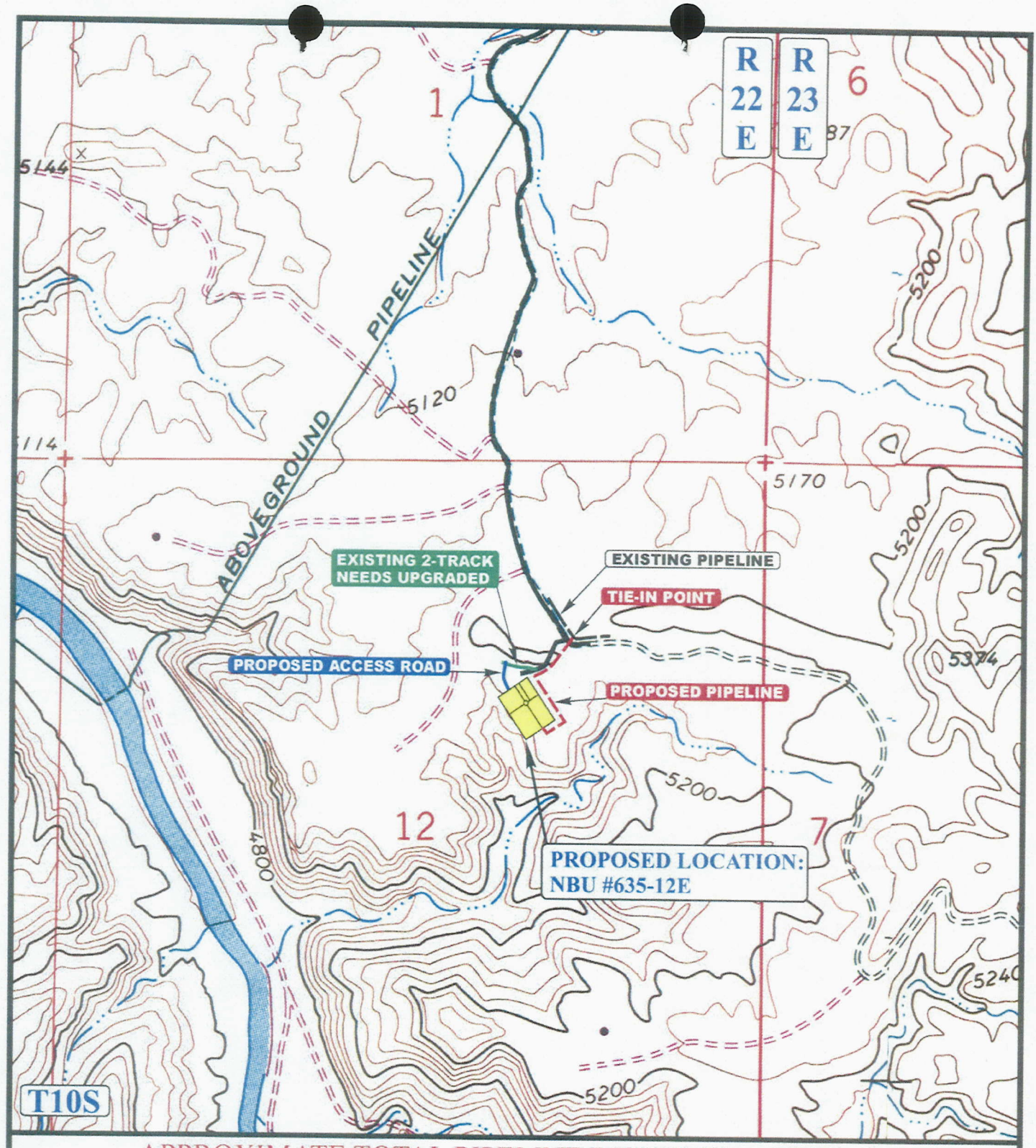
N

EOG RESOURCES, INC.

NBU #635-12E
SECTION 12, T10S, R22E, S.L.B.&M.
1808' FNL 1754' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	03 MONTH	07 DAY	07 YEAR	C TOPO
SCALE: 1" = 2000'	DRAWN BY: A.A.	REVISED: 00-00-00		



APPROXIMATE TOTAL PIPELINE DISTANCE = 1,035' +/-

LEGEND:

PROPOSED ACCESS ROAD
EXISTING PIPELINE
PROPOSED PIPELINE

N

EOG RESOURCES, INC.

NBU #635-12E
SECTION 12, T10S, R22E, S.L.B.&M.
1808' FNL 1754' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	03 MONTH	07 DAY	07 YEAR	D TOPO
SCALE: 1" = 1000'	DRAWN BY: A.A.	REVISED: 00-00-00		

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/09/2007

API NO. ASSIGNED: 43-047-38700

WELL NAME: NBU 635-12E

OPERATOR: EOG RESOURCES INC (N9550)

PHONE NUMBER: 435-781-9111

CONTACT: KAYLENE GARDNER

PROPOSED LOCATION:

SWNE 12 100S 220E

SURFACE: 1808 FNL 1754 FEL

BOTTOM: 1808 FNL 1754 FEL

COUNTY: UINTAH

LATITUDE: 39.96578 LONGITUDE: -109.3845

UTM SURF EASTINGS: 637973 NORTHINGS: 4424999

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	**Initials**	**Date**
Engineering	DaD	5/16/07
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: UO-01197-A-ST

SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSTC

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 6196017)

N Potash (Y/N)

Y Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. 49-225)

N RDCC Review (Y/N)
(Date:)

N/A Fee Surf Agreement (Y/N)

N/A Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit: NATURAL BUTTES

___ R649-2-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells

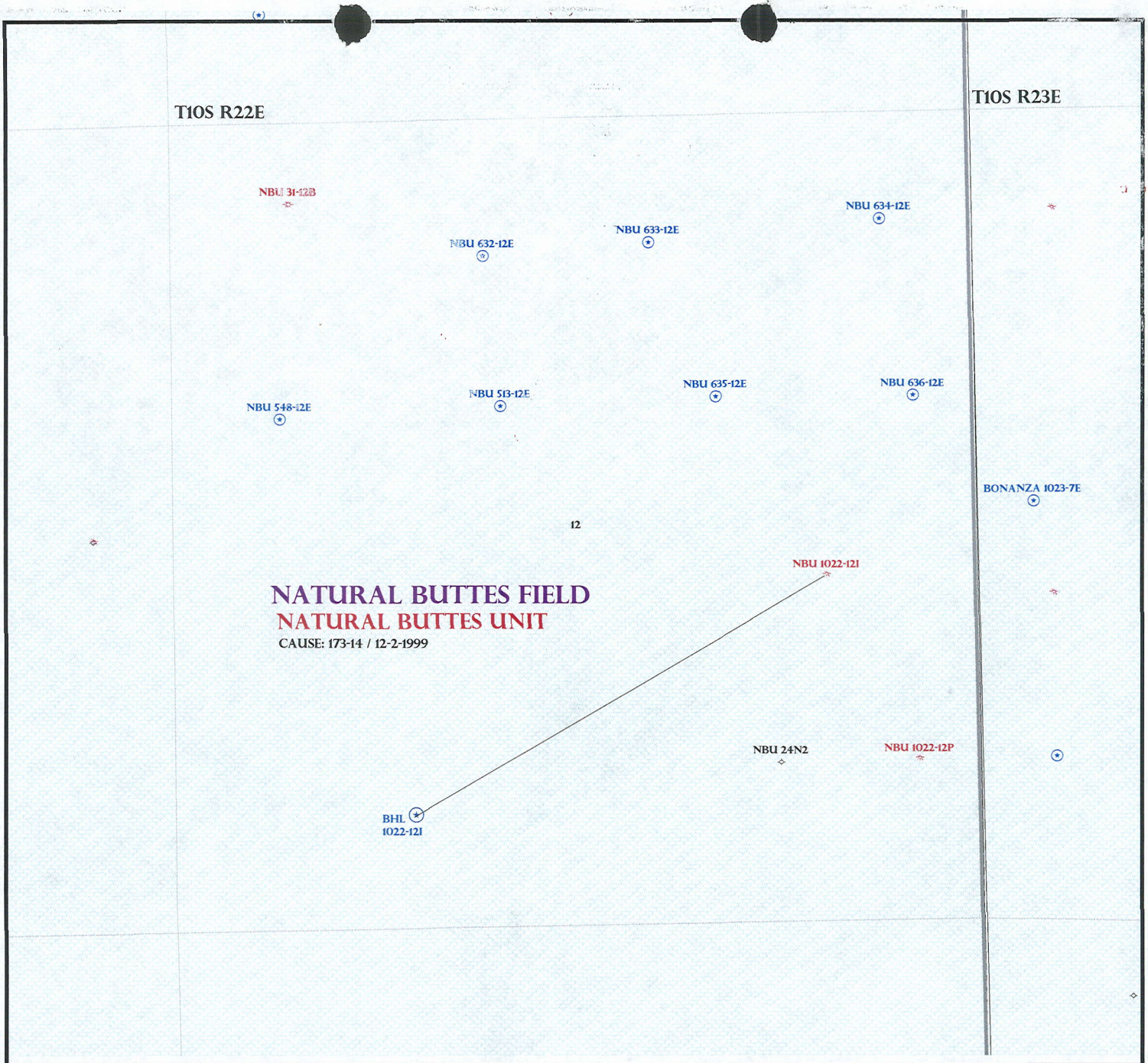
___ R649-3-3. Exception

✓ Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-99
Siting: 460' from bdry & uncomm. Tract

___ R649-3-11. Directional Drill

COMMENTS: Needs Presite (04-24-07)

STIPULATIONS: 1- STATEMENT OF BASIS
2- OIL SHALE
3- Surface Csg Cmt stip
4- Cmt Stip #3 (4½" production, 2100' MD)



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 12 T.10S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

Field Status
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING

Utah Oil Gas and Mining

N
W E
S

PREPARED BY: DIANA MASON
DATE: 11-APRIL-2007

Application for Permit to Drill
Statement of Basis

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
368	43-047-39190-00-00		GW	S	No

Operator EOG RESOURCES INC **Surface Owner-APD**
Well Name NBU 635-12E **Unit**
Field UNDESIGNATED **Type of Work**
Location SWNE 12 10S 22E S 1808 FNL 1754 FEL GPS Coord (UTM) 637973E 4424999N

Geologic Statement of Basis

EOG proposes to set 2,300' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,600'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location . The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and is not expected to produce prolific aquifers. The production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole. The proposed casing and cement program should adequately protect usable ground water in the area.

Brad Hill — 5/1/2007
APD Evaluator — **Date / Time**

Surface Statement of Basis

The general area is in the east end of the Natural Buttes Unit, which contains the White River and short rugged drainages that drain into the White River. Topography is varied and frequently dissected by short draws or washes, which become overly steep as they approach the White River breaks or rim. Distance to the White River varies from ¼ mile to 2 miles. The side drainages are dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. Vernal, Utah is approximately 35 air miles and 55 road miles to the northwest. The area is accessed by Utah State, Uintah County and oilfield development Roads to with 200 feet of the location where a new road will be constructed.

The proposed Natural Buttes Unit 635-12E gas well location begins along the top of a ridge on the east or reserve pit side and runs longitudinally along the ridge except it breaks off between corners 1 and 8. West of corner 8 it becomes very steep and drops into as major rugged canyon that extends approximately ½ mile southeast to the White River. One swale intersects the location near the north edge of the reserve pit and is planned for diversion around the location. Due to the surface formations and the short distance to the River the reserve pit should be double lined and adequately padded. The location should be stable and pose no other problems for drilling and operating a well.

Both the surface and minerals for this location are owned by SITLA. Ed Bonner of SITLA attended the pre-site visit and expressed no concerns regarding the proposed location.

The location appears to be the best site for constructing and operating a well in the immediate area.

Floyd Bartlett — 4/24/2007
Onsite Evaluator — **Date / Time**

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A double synthetic liner each with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator EOG RESOURCES INC
Well Name NBU 635-12E
API Number 43-047-39190-0 **APD No** 368 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 SWNE **Sec** 12 **Tw** 10S **Rng** 22E 1808 FNL 1754 FEL
GPS Coord (UTM) **Surface Owner**

Participants

Floyd Bartlett (DOGM), Ed Bonner (SITLA), Byron Tolman (Agent for EOG Resources) and Daniel Emmet (UDWR).

Regional/Local Setting & Topography

The general area is in the east end of the Natural Buttes Unit, which contains the White River and short rugged drainages that drain into the White River. Topography is varied and frequently dissected by short draws or washes, which become overly steep as they approach the White River breaks or rim. Distance to the White River varies from ¼ mile to 2 miles. The side drainages are dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. Vernal, Utah is approximately 35 air miles and 55 road miles to the northwest. The area is accessed by Utah State, Uintah County and oilfield development Roads to with 200 feet of the location where a new road will be constructed.

The proposed Natural Buttes Unit 635-12E gas well location begins along the top of a ridge on the east or reserve pit side and runs longitudinally along the ridge except it breaks off between corners 1 and 8. West of corner 8 it becomes very steep and drops into as major rugged canyon that extends approximately ½ mile southeast to the White River. One swale intersects the location near the north edge of the reserve pit and is planned for diversion around the location. Due to the surface formations and the short distance to the River the reserve pit should be double lined and adequately padded. The location should be stable and pose no other problems for drilling and operating a well.

Both the surface and minerals for this location are owned by SITLA.

Surface Use Plan

Current Surface Use
Grazing
Wildlfe Habitat
Recreational

New Road Miles	Well Pad		Src Const Material	Surface Formation
0.04	**Width** 276	**Length** 375	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Moderately vegetated with black sagebrush, Gardner saltbrush, prickly pear, halogeton greasewood, horsebrush, lomatium, larkspur, Indian paint brush, broom snakeweed six-week fescue and spring annuals.

Antelope, coyote, small mammals and birds. Winter domestic sheep grazing

Soil Type and Characteristics

Shallow rocky sandy loam.

Erosion Issues N

Sedimentation Issues

Site Stability Issues N

Drainage Diverson Required Y

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y **Paleo Potental Observed?** Y **Cultural Survey Run?** Y **Cultural Resources?** N

Reserve Pit

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	300 to 1320	10
Native Soil Type	High permeability	20
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	<10	0
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0
	Final Score	35 1 **Sensitivity Level**

Characteristics / Requirements

The reserve pit is proposed on the northeast portion of the location within an area of cut. Dimensions are 75' x 150 x 10' deep. A double liner is required. EOG customarily uses a 16 mil liner with an appropriate thickness of sub-felt to cushion the liner.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y

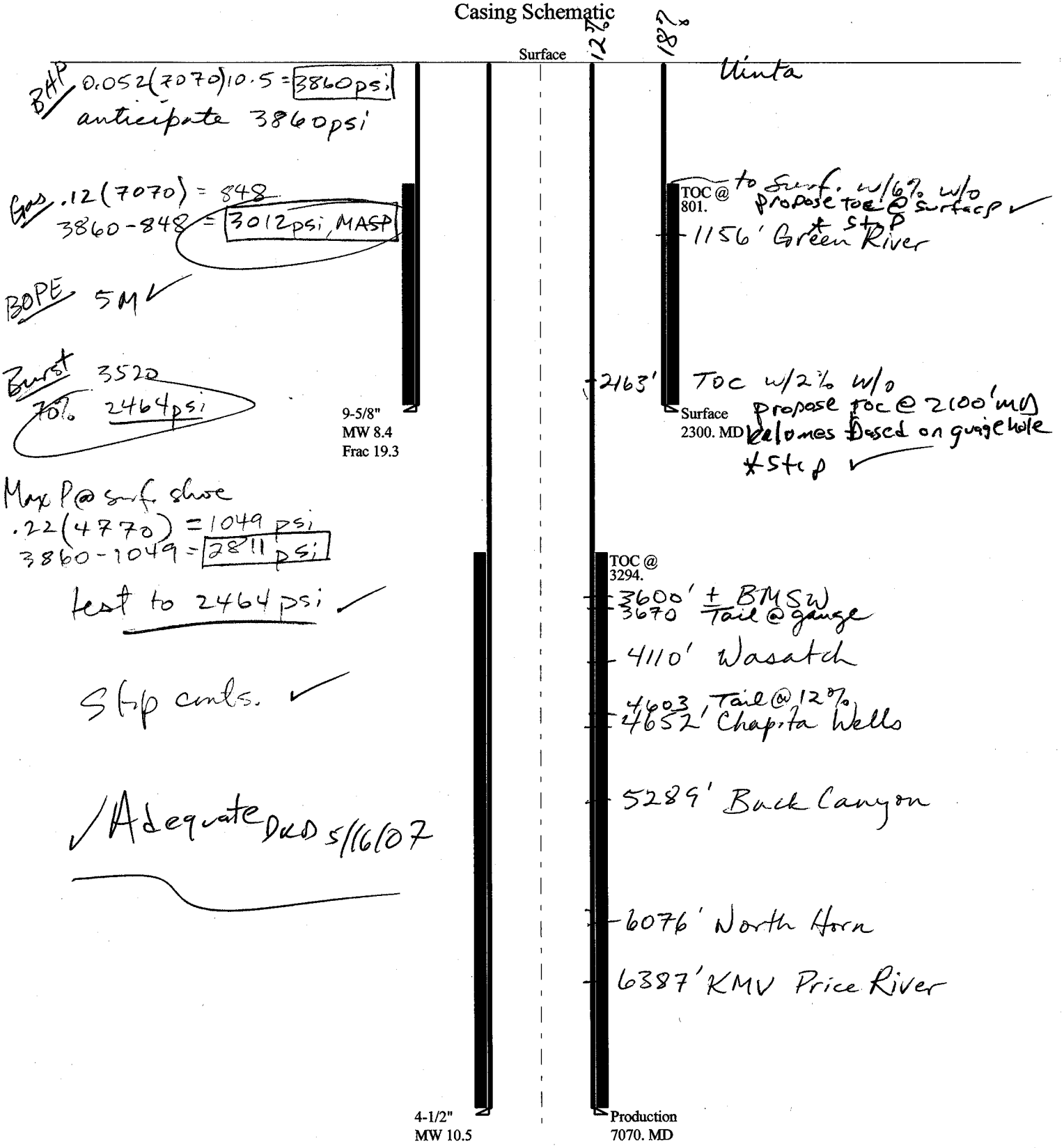
Other Observations / Comments

Daniel Emmet represented the Utah Division of Wildlife Resources. Mr. Emmet stated the area is classified as critical yearlong habitat for antelope. He however recommended no stipulations for this species as the loss of forage from this location is not significant and water not forage is the factor limiting the herd population in the area. No other wildlife is expected to be affected. He gave Byron Tolman, representing EOG Resources, and Mr. Bonner copies of his evaluation and a DWR recommended seed mix to use when re-vegetating the area.

Floyd Bartlett	4/24/2007
Evaluator	**Date / Time**

2007-05 EOG NBU 635-12E

Casing Schematic



Well name:	**2007-05 EOG NBU 635-12E**
Operator:	**EOG Resources Inc.**
String type:	Surface
Project ID:	43-047-39190
Location:	Uintah County

Design parameters:

Collapse

Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 2,024 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,300 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 2,014 ft

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 107 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 290 ft

Cement top: 801 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 7,070 ft
Next mud weight: 10.500 ppg
Next setting BHP: 3,856 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,300 ft
Injection pressure: 2,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	2300	9.625	36.00	J-55	ST&C	2300	2300	8.796	998.3

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1004	2020	2.013	2300	3520	1.53	73	394	5.43 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Minerals
Phone: 801-538-5357
FAX: 801-359-3940
Date: May 8,2007
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 2300 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**2007-05 EOG NBU 635-12E**
Operator:	**EOG Resources Inc.**
String type:	Production
Location:	Uintah County
Project ID:	43-047-39190

Design parameters:

Collapse
Mud weight: 10.500 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 2,301 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 3,856 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 5,960 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 174 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 3,294 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	7070	4.5	11.60	N-80	LT&C	7070	7070	3.875	617

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3856	6350	1.647	3856	7780	2.02	69	223	3.23 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Minerals
Phone: 801-538-5357
FAX: 801-359-3940
Date: May 8,2007
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 7070 ft, a mud weight of 10.5 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

From: Ed Bonner
To: Mason, Diana
Date: 6/7/2007 4:43 PM
Subject: Well Clearance

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil

The following wells have been given cultural resources clearance by the Trust Lands Cultural Resources Group:

Enduring Resources, LLC
Coyote Basin 8-25-11-16 (API 43 047 39189)

EOG Resources, Inc
NBU 635-12E (API 43 047 39190)
NBU 636-12E (API 43 047 39191)
NBU 632-12E (API 43 047 39192)
NBU 633-12E (API 43 047 39193)
NBU 634-12E (API 43 047 39194)

Kerr McGee Oil & Gas Onshore LP
NBU 1022-25B (API 43 047 39032)
NBU 1022-25G (API 43 047 39142)
NBU 1021-31A (API 43 047 39111)
State 1021-31M (API 43 047 39112)
State 1021-31E (API 43 047 39113)
State 1021-31D (API 43 047 39114)
State 1021-31C (API 43 047 39115)
NBU 1021-31B (API 43 047 39116)
State 1021-31P (API 43 047 39117)
State 1021-31L (API 43 047 39118)
State 1021-31N (API 43 047 39119)
State 1021-31O (API 43 047 39120)
State 1021-31I (API 43 047 39121)
State 1021-31J (API 43 047 39122)
State 1021-31K (API 43 047 39123)
State 1021-31F (API 43 047 39124)
State 1021-31G (API 43 047 39125)
State 1021-31H (API 43 047 39126)

If you have any questions regarding this matter please give me a call.

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

June 12, 2007

EOG Resources, Inc.
1060 East Highway 40
Vernal, UT 84078

Re: Natural Buttes Unit 635-12E Well, 1808' FNL, 1754' FEL, SW NE, Sec. 12, T. 10 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39190.

Sincerely,

Gil Hunt
Associate Director

er
Enclosures

cc: Uintah County Assessor
Bureau of Land Management Vernal Office
SITLA

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING

Operator: EOG Resources, Inc.

Well Name & Number Natural Buttes Unit 635-12E

API Number: 43-047-39190

Lease: UO 01197-A-ST

Location: SW NE **Sec.** 12 **T.** 10 South **R.** 22 East

Conditions of Approval

1. **General**

   Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. **Notification Requirements**

   The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

   - 24 hours prior to cementing or testing casing – contact Dan Jarvis
   - 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
   - 24 hours prior to spudding the well – contact Carol Daniels
   - Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
   - Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

   The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

   - Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
   - Any changes to the approved drilling plan – contact Dustin Doucet

   The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

   - Dan Jarvis at: (801) 538-5338 office (801) 942-0873 home
   - Carol Daniels at: (801) 538-5284 office
   - Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. **Reporting Requirements**

   All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

7. Surface casing shall be cemented to the surface.

8. Cement volume for the 4 1/2" production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to ± 2100' MD as indicated in the submitted drilling plan.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: **EOG RESOURCES INC**

Well Name: **NBU 635-12E**

Api No: **43-047-39190** Lease Type: **FEDERAL-ST SURF**

Section **12** Township **10S** Range **22E** County **UINTAH**

Drilling Contractor **ROCKY MOUNTAIN DRLG** RIG # **RATHOLE**

SPUDDED:

Date **04/21/08**

Time **4:00 PM**

How **DRY**

Drilling will Commence:

Reported by **JERRY BARNES**

Telephone # **(435) 828-1720**

Date **04/22/08** **Signed** **CHD**

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG Resources, Inc.
Operator Account Number: N 9550
Address: 600 17th St., Suite 1000N
city Denver
state CO zip 80202
Phone Number: (303) 824-5526

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39191	Natural Buttes Unit 636-12E		SENE	12	10S	22E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
B	99999	2900	4/16/2008			4/28/08	

Comments: Wasatch/Mesaverde well
WSTC = WSMVD

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39190	Natural Buttes Unit 635-12E		SWNE	12	10S	22E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
B	99999	2900	4/21/2008			4/28/08	

Comments: Wasatch/Mesaverde well
WSTC = WSMVD

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37855	East Chapita 18-17		NENE	17	9S	23E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
A	99999	16788	4/22/2008			4/28/08	

Comments: Wasatch/Mesaverde well
PRRV = MVRD = WSMVD

ACTION CODES:
- **A** - Establish new entity for new well (single well only)
- **B** - Add new well to existing entity (group or unit well)
- **C** - Re-assign well from one existing entity to another existing entity
- **D** - Re-assign well from one existing entity to a new entity
- **E** - Other (Explain in 'comments' section)

Mary A. Maestas
Name (Please Print)
Mary A. Maestas
Signature
Regulatory Assistant
Title
4/24/2008
Date

RECEIVED
APR 24 2008
DIV. OF OIL, GAS & MINING

(5/2000)

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: UO-01197-A-ST

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: Natural Buttes Unit

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Natural Buttes Unit 635-12E

2. NAME OF OPERATOR: EOG Resources, Inc.

9. API NUMBER: 43-047-39190

3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 824-5526

10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1808' FNL & 1754' FEL 39.965717 LAT 109.385106 LON

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 12 10S 22E S

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☑ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: _____
_____	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	_____

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.

1. Natural Buttes Unit 21-20B SWD
2. Chapita Wells Unit 550-30N SWD
3. Chapita Wells Unit 2-29 SWD
4. Red Wash Evaporation ponds 1, 2, 3 & 4
5. RN Industries

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

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APR 29 2008
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas DATE 4/24/2008

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(5/2000) (See Instructions on Reverse Side)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: UO-01197-A-ST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME: Natural Buttes Unit

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Natural Buttes Unit 635-12E

2. NAME OF OPERATOR: EOG Resources, Inc.

9. API NUMBER: 43-047-39190

3. ADDRESS OF OPERATOR: 1060 E Hwy 40 Vernal UT 84078

PHONE NUMBER: (435) 781-9111

10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1808' FNL & 1754' FEL 39.965717 LAT 109.385106 LON

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 12 10S 22E S

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: _____	☐ CHANGE WELL STATUS	☑ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: _____
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The referenced well was turned on to production on 6/30/2008.

NAME (PLEASE PRINT) Kaylene R. Gardner TITLE Lead Regulatory Assistant

SIGNATURE _____ DATE 7/2/2008

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JUL 07 2008
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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:	UO-01197-A-ST
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
7. UNIT or CA AGREEMENT NAME:	Natural Buttes Unit
1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER	
8. WELL NAME and NUMBER:	Natural Buttes Unit 635-12E
2. NAME OF OPERATOR:	EOG Resources, Inc.
9. API NUMBER:	43-047-39190
3. ADDRESS OF OPERATOR:	1060 E Hwy 40 Vernal UT 84078
PHONE NUMBER:	(435) 781-9145
10. FIELD AND POOL, OR WILDCAT:	Natural Buttes/Wasatch/Mesaverde

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1808' FNL & 1754' FEL 39.965717 LAT 109.385106 LON

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 12 10S 22E S

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
_____	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Site Facility Diagram
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Attached please find a site facility diagram.

NAME (PLEASE PRINT) Mickenzie Thacker TITLE Operations Clerk

SIGNATURE Mickenzie Thacker DATE 7/29/2008

RECEIVED
AUG - 1 2008
DIV. OF OIL, GAS & MINING

(This space for State use only)

(5/2000) (See Instructions on Reverse Side)

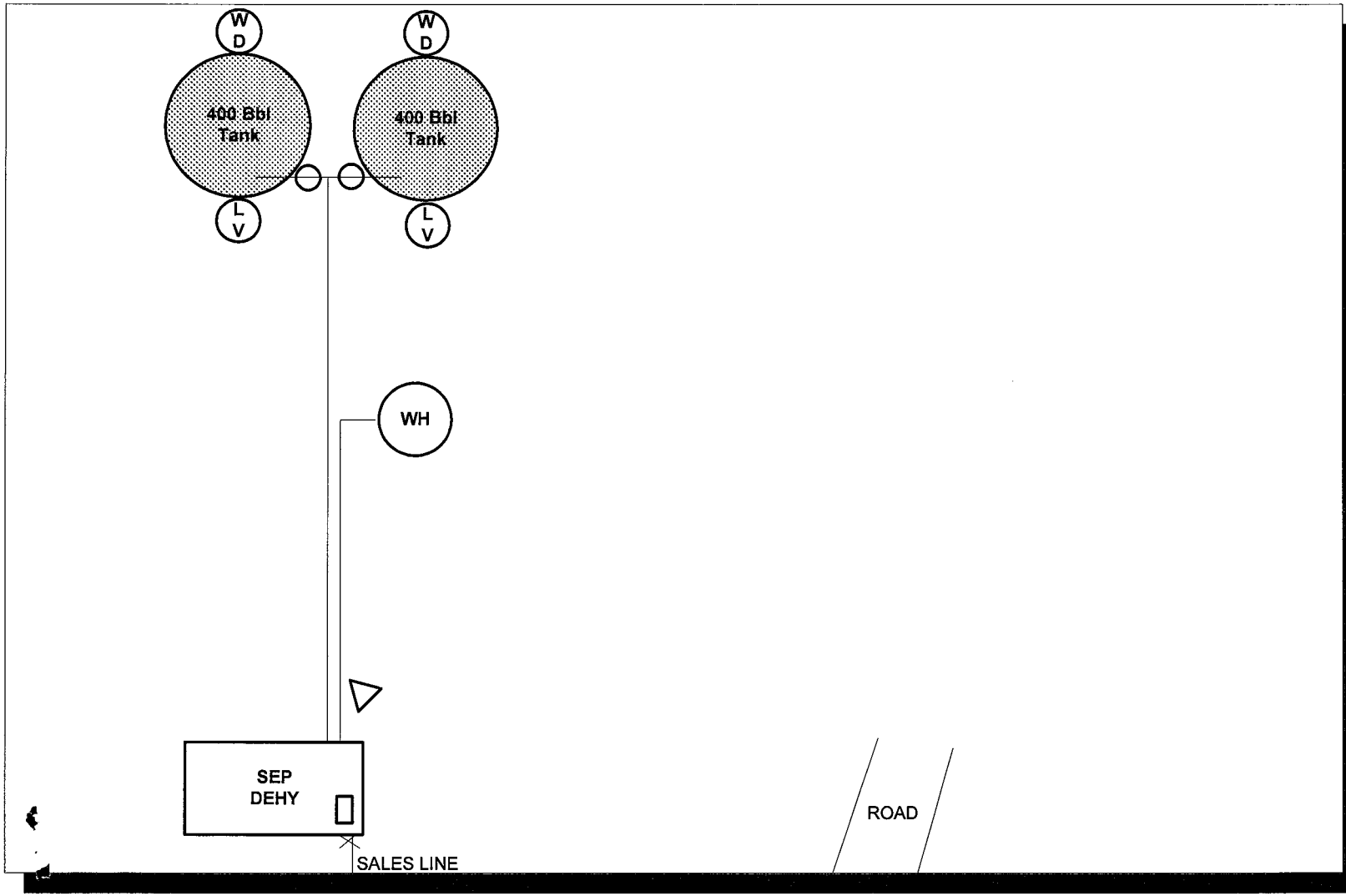
eog resources
Site Facility Diagram

Well Name: NATURAL BUTTES UNIT 635-12E
1/4 1/4:SW/NE Sec: 12 T:10S R:22E
County:UINTAH State:UTAH
Lease: UO-01197-A-ST
UNIT\PA#: 891008900A

Site facility diagrams & site security plans are located at the Vernal office in Vernal, Utah. The office is located at 1060 East Hwy 40 and normal business hours are 7:00 a.m. to 4:30 p.m. Mon -Thurs and 7:00 a.m. to 1:00 p.m. fridays.

Valve	Production Phase	Sales Phase	Water Drain
PV	O	SC	SC
LV	SC	O	SC
WD	SC	SC	O

DATED 7/29/2008



Abbreviations

AM= Allocation Meter
AR = Access Road
CHT = Chemical Tank
COMP = Compressor
CON = Condensor
CT = Condensate Tank
DL = Dump Line
EP = Electrical Panel
ET = Emergency Tank
FW = Firewall
LACT = LACT Unit
LH = Line Heater
LV = Load Valve
MAN = Manifold
MB = Methanol Bath
O = Open
PL = Production Line
PP = Power Pole
PT = Propane Tank
PU = Pumping Unit
PV = Production Valve
PW = Produced Water
RL = Recycle Line
RP = Recycle Pump
RV = Recycle Valve
SC = Sealed Closed
SGS = Sales Gas Scrubber
SL = Sales Line
SM = Sales Meter
SO = Sealed Open
SP = Separator
SV = Sales Valve
T = Treater
TP = Trace Pump
WD = Water Drain
WDP = Water Disposal Pump
WFP = Water Flood Pump
WH = Wellhead

---------- = Buried Line
_____ = Unburied Line

= Meter Display

= Meter Tube

= Production Valve

= Valve

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: UO-01197-A-ST
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: Natural Buttes Unit
8. WELL NAME and NUMBER: Natural Buttes Unit 635-12E
9. API NUMBER: 43-047-39190

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ DRY ☐ OTHER
b. TYPE OF WORK: NEW WELL ☑ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER

2. NAME OF OPERATOR: EOG Resources, Inc.

3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202
PHONE NUMBER: (303) 824-5526
10 FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 1808' FNL & 1754' FEL 39.965717 LAT 109.385106 LON
AT TOP PRODUCING INTERVAL REPORTED BELOW: Same
AT TOTAL DEPTH: Same
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 12 10S 22E S
12. COUNTY: Uintah
13. STATE: UTAH

14. DATE SPUDDED: 4/21/2008
15. DATE T.D. REACHED: 5/2/2008
16. DATE COMPLETED: 6/30/2008 ABANDONED ☐ READY TO PRODUCE ☑
17. ELEVATIONS (DF, RKB, RT, GL): 5187' NAT GL

18. TOTAL DEPTH: MD 7,070 TVD
19. PLUG BACK T.D.: MD 6,994 TVD
20. IF MULTIPLE COMPLETIONS, HOW MANY? *
21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
~~HRST~~/CBL/CCL/VDL/GR

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12-1/4	9-5/8 J-55	36.0	0	2,019		700			
7-7/8	4-1/2 N-80	11.6	0	7,070		1230			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8	6,009							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Wasatch/Mesaverde	4,761	6,954		
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)		SIZE	NO. HOLES	PERFORATION STATUS
6,731	6,954		3	Open ☐ Squeezed ☐
6,489	6,683		3	Open ☐ Squeezed ☐
6,241	6,430		3	Open ☐ Squeezed ☐
6,012	6,190		3	Open ☐ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
6731-6954	63,098 GALS GELLED WATER & 163,400# 20/40 SAND
6489-6683	62,858 GALS GELLED WATER & 164,000# 20/40 SAND
6241-6430	58,978 GALS GELLED WATER & 150,500# 20/40 SAND

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: Producing

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(5/2000) **(CONTINUED ON BACK)**

31. INITIAL PRODUCTION — **INTERVAL A (As shown in item #26)**

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
6/30/2008	7/7/2008	24		0	887	150	Flows

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
14/64"	1,350	1,700					0	887	150	Producing

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Wasatch/Mesaverde	4,761	6,954		Green River	1,243
				Mahogany	1,836
				Uteland Butte	4,008
				Wasatch	4,105
				Chapita Wells	4,684
				Buck Canyon	5,339
				Price River	6,385

35. ADDITIONAL REMARKS (Include plugging procedure)

Please see attached sheet.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas DATE 8/6/2008

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

Natural Buttes Unit 635-12E - ADDITIONAL REMARKS (CONTINUED):

27. PERFORATION RECORD

5741-5965	3/spf
5320-5633	3/spf
4910-5211	3/spf
4761-4837	3/spf

28. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

6012-6190	59,671 GALS GELLED WATER & 149,700# 20/40 SAND
5741-5965	44,559 GALS GELLED WATER & 113,900# 20/40 SAND
5320-5633	43,236 GALS GELLED WATER & 108,800# 20/40 SAND
4910-5211	39,725 GALS GELLED WATER & 99,900# 20/40 SAND
4761-4837	41,501 GALS GELLED WATER & 105,800# 20/40 SAND

Perforated the Upper Price River from 6731-32', 6740-41', 6746-47', 6774-75', 6806-07', 6814-15', 6825-27', 6835-36', 6870-71', 6876-77', 6953-54' w/ 3 spf.

Perforated the Upper Price River from 6489-90', 6502-03', 6509-10', 6517-18', 6539-40', 6546-47', 6555-56', 6602-04', 6642-43', 6670-71', 6682-83' w/ 3 spf.

Perforated the North Horn from 6241-42', 6258-59', 6273-75', 6286-87', 6318-19', 6343-44', 6349-50', 6361-62', 6390-91', 6423-24', 6429-30' w/ 3 spf.

Perforated the North Horn from 6012-13', 6015-16', 6053-54', 6073-74', 6089-90', 6101-02', 6111-12', 6131-32', 6156-57', 6166-67', 6174-75', 6189-90' w/ 3 spf.

Perforated the Ba from 5741-42', 5759-60', 5809-10', 5833-35', 5843-44', 5874-75', 5920-22', 5943-44', 5963-65' w/ 3 spf.

Perforated the Ba from 5320-22', 5328-30', 5346-47', 5365-66', 5393-94', 5508-09', 5514-15', 5577-78', 5613-14', 5632-33' w/ 3 spf.

Perforated the Ca from 4910-12', 4919-21', 4947-49', 4955-57', 5051-52', 5162-63', 5209-11' w/ 3 spf.

Perforated the Ca from 4761-63', 4774-76', 4780-82', 4785-87', 4792-93', 4798-99', 4835-37' w/ 3 spf.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: NBU 635-12E

API number: 4304739190

Well Location: QQ SWNE Section 12 Township 10S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078 Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035 Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME	QUALITY
FROM	TO	(FLOW RATE OR HEAD)	(FRESH OR SALTY)
1,500	1,540	NO FLOW	NOT KNOWN

Formation tops: (Top to Bottom)

1 _____ 2 _____ 3 _____

4 _____ 5 _____ 6 _____

7 _____ 8 _____ 9 _____

10 _____ 11 _____ 12 _____

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas DATE 8/6/2008

(5/2000)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: UO-01197-A-ST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME: Natural Buttes Unit

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Natural Buttes Unit 635-12E

2. NAME OF OPERATOR: EOG Resources, Inc.

9. API NUMBER: 43-047-39190

3. ADDRESS OF OPERATOR: 1060 E Hwy 40 Vernal UT 84078

PHONE NUMBER: (435) 781-9145

10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1808' FNL & 1754' FEL 39.965717 LAT 109.385106 LON

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 12 10S 22E S

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Drilling Operations
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Attached please find well chronology reports for the referenced well.

NAME (PLEASE PRINT) Mickenzie Thacker TITLE Operations Clerk

SIGNATURE Mickenzie Thacker DATE 8/21/2008

(This space for State use only)

RECEIVED
AUG 25 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

WELL CHRONOLOGY REPORT

Report Generated On: 08–20–2008

Well Name	NBU 635–12E	**Well Type**	DEVG	**Division**	DENVER
Field	NATURAL BUTTES	**API #**	43–047–39190	**Well Class**	1SA
County, State	UINTAH, UT	**Spud Date**	04–30–2008	**Class Date**	06–30–2008
Tax Credit	N	**TVD / MD**	7,070/ 7,070	**Property #**	061454
Water Depth	0	**Last CSG**	2.375	**Shoe TVD / MD**	0/ 0
KB / GL Elev	5,192/ 5,179				
Location	Section 12, T10S, R22E, SWNE, 1808 FNL & 1754 FEL				

Event No	1.0	**Description**	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	**WI %**	66.667	**NRI %**	48.062

AFE No	304700	**AFE Total**	1,352,500	**DHC / CWC**	667,700/ 684,800				
Rig Contr	ELENBURG	**Rig Name**	ELENBURG #28	**Start Date**	07–11–2007	**Release Date**	05–03–2008		
07–11–2007	**Reported By**	SHARON CAUDILL							
DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$0	**Completion**	$0	**Well Total**	$0				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA 1808' FNL & 1754' FEL (SW/NE) SECTION 12, T10S, R22E UINTAH COUNTY, UTAH LAT 39.965717, LONG 109.385106 (NAD 83) LAT 39.965750, LONG 109.384425 (NAD 27) ELENBERG #28 OBJECTIVE: 7070' TD, MESAVERDE DW/GAS NATURAL BUTTES DEEP PROSPECT DD&A: NATURAL BUTTES NATURAL BUTTES FIELD LEASE: UO–01197–A–ST ELEVATION: 5186.7' NAT GL, 5179.4' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 5179'), 5192 ' KB (13') EOG WI 66.666667%, NRI 48.061643%

04–01–2008 **Reported By** BYRON TOLMAN

DailyCosts: Drilling $38,000 **Completion** $0 **Daily Total** $38,000
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION STARTED 04/01/08.

04-02-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 10% COMPLETE.

04-03-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 20% COMPLETE.

04-04-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 25% COMPLETE.

04-07-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT.

04-08-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT.

04-09-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT.

04-10-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	DRILLING ROCK.

04-11-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	DRILLING ROCK.

04-14-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SHOOT TOMORROW.

04-15-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SHOOTING TODAY.

04-16-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PIT SHOT. PUSHING PIT.

04-17-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

04-18-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

04-21-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

04-22-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0		**Completion**	$0		**Daily Total**	$0		
Cum Costs: Drilling	$38,000		**Completion**	$0		**Well Total**	$38,000		
MD	60	**TVD**	60	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0				**Perf :**		**PKR Depth :** 0.0	

Activity at Report Time: BUILD LOCATION/WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY. ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 04/21/08 @ 4:00 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 04/21/08 @ 3:00 PM.

04-23-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0		**Completion**	$0		**Daily Total**	$0		
Cum Costs: Drilling	$38,000		**Completion**	$0		**Well Total**	$38,000		
MD	60	**TVD**	60	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0				**Perf :**		**PKR Depth :** 0.0	

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE.

04-28-2008 **Reported By** JERRY BARNES

DailyCosts: Drilling	$165,767		**Completion**	$0		**Daily Total**	$165,767		
Cum Costs: Drilling	$203,767		**Completion**	$0		**Well Total**	$203,767		
MD	2,035	**TVD**	2,035	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0				**Perf :**		**PKR Depth :** 0.0	

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIGS AIR RIG #2 ON 4/23/2008. DRILLED 12-1/4" HOLE TO 2035' GL. ENCOUNTERED WATER @ 1500'. RAN 47 JTS (2006.00') OF 36.0#/ FT, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2019' KB. RDMO AIR RIG. MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 152 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 300 SX (61.5 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. DISPLACED CEMENT W/152 BBLS FRESH WATER. BUMPED PLUG W/300# @ 6:40 PM, 4/26/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS. TOP JOB # 1: MIXED & PUMPED 100 SX (20.5 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS. TOP JOB # 2: MIXED & PUMPED 100 SX (20.5 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS. TOP JOB # 3: MIXED & PUMPED 200 SX (41 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

MIRU GLENNS WIRELINE SERVICE. RAN IN HOLE W/STRAIGHT HOLE SURVEY. TAGGED CEMENT @ 1825'. PICKED UP TO 1805' & TOOK SURVEY. 1.0 DEGREE.

CONDUCTOR LEVEL RECORD: PS= 89.6 OPS= 89.7 VDS= 89.8 MS= 90.0.

9 5/8 CASING LEVEL RECORD: PS= 90.0 OPS= 90.0 VDS= 89.9 MS= 89.7.

DALL COOK NOTIFIED JAMIE SPARGER W/BLM & DAVE HACKFORD W/UDOGM OF THE SURFACE CASING & CEMENT JOB ON 4/25/2008 @ 3:10 PM.

04-30-2008 **Reported By** D. FOREMAN / J. SCHLENKER

DailyCosts: Drilling	$73,186	**Completion**	$0	**Daily Total**	$73,186
Cum Costs: Drilling	$276,953	**Completion**	$0	**Well Total**	$276,953

MD	2,035	**TVD**	2,035	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING CEMENT

Start	End	Hrs	Activity Description
06:00	07:00	1.0	RIG DOWN FOR .5 MI. RIG MOVE TO NBU 635-12E.
07:00	11:30	4.5	SAFETY MEETING W/ KUHR TRUCKING & RIG HANDS, MOVE RIG .3 MILES.
11:30	14:00	2.5	RIG UP WATER LINES, MUD LINES, ELECTRIC LINES & GROUND SUPPORT.
14:00	18:00	4.0	NIPPLE UP BOP, FILL MUD TANKS, PUT BHA ON RACKS. RIG ON DAY WORK 4/29/08 @14:00 HRS.
18:00	23:00	5.0	R/U & TEST BOPE AS PER PROGRAM. B&C QUICK TEST - WITNESS - RAY MINER. INSIDE BOP, SAFETY VALVE, UPPER KELLY COCK 250/5000 PSI 5/10 MIN. HCR, CHOKE LINE, KILL LINE, 250/5000 PSI 5/10 MIN. CHOKE MANIFOLD, 250/5000 PSI 5/10 MIN. PIPE RAMS, BLIND RAMS, 250/5000 PSI 5/10 MIN. ANNULAR, 250/2500 PSI 5/10 MIN. TEST 9 5/8" CASING TO1500 PSI 30 MIN.
23:00	02:30	3.5	PU BHA & TOOLS - M/U, BREAK OUT, RE-DOPE & MU NEW COLLARS. TRIP IN TAG @1879'.
02:30	04:30	2.0	CUT DRILL LINE 300'.
04:30	06:00	1.5	DRILL CEMENT & FLOAT EQUIP FROM 1879' TO 1919'.

NO ACCIDENTS REPORTED.
FUNCTION CROWN-O-MATIC, & TEST.
SAFETY MEETING: P/U BHA, MU, BREAK OUT & RE-TORQUE NEW TOOL JOINTS.
CREWS FULL.
FUEL ON HAND: 1214 GALS. USED: 888 GALS.
FORMATION TOP: GREEN RIVER
LITHOLOGY; SAND/ SHALE,
UNMANNED MUD LOGGER ON LOCATION F/ 4/30/08.

05-01-2008 **Reported By** FOREMAN/SCHLENKER/WILLIAMS

DailyCosts: Drilling	$64,874	**Completion**	$0	**Daily Total**	$64,874
Cum Costs: Drilling	$341,827	**Completion**	$0	**Well Total**	$341,827

MD	4,662	TVD	4,662	Progress	2,617	Days	1	MW	8.5	Visc	29.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING @ 4662'

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILL CEMENT/FLOAT EQUIP.F/ 1919' TO 2035' + 10',NEW HOLE 2045'.SHOE @ 2019'
06:00	07:00	1.0	PERFORMED FIT 2045', W/ 8.5 MUD WT.303 PSI EMW 11.3, GOOD TEST. RAN SURVEY - 1 DEGREE.
07:00	13:30	6.5	DRILLING F/ 2045' TO 2895', ROP 130.7, WOB 10/15, RPM 40/45, TQ 2500/3200
13:30	14:00	0.5	SERVICE RIG
14:00	06:00	16.0	DRILLING F/ 2895' TO 4662', ROP 110, WOB 10/15, RPM 40/45, TQ 2500/3200 MUD LOSS LAST 24 HRS. 0 BBLS. MUD WT.9.1 VIS.32, ROT 105, P/U 108, S/O 101 ACCIDENTS NONE REPORTED FUNCTION CROWN-O-MATIC, & TEST SAFETY MEETING: SETTING UP PIPE RACKS CREWS FULL FUEL ON HAND: 4004, GALS. USED: 1215, RECIEVED 4405 GALS. FORMATION TOP: CHAPITA WELLS GAS BG.90 U, LITHOLOGY; SAND MUD LOGGER UNMANED ON LOCATION F/ 4/30/08 (1 DAY).
06:00	06:00	24.0	SPUD 7 7/8" HOLE @ 07:00 HRS, 4/30/08.

05-02-2008 **Reported By** MATT WILLIAMS

DailyCosts: Drilling	$34,412	Completion	$0	Daily Total	$34,412
Cum Costs: Drilling	$376,240	Completion	$0	Well Total	$376,240

MD	6,389	TVD	6,389	Progress	1,727	Days	2	MW	9.3	Visc	33.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING @ 6389'

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILLING F/ 4662' TO 5210', ROP 84, WOB 10/20, RPM 40/45, TQ 2300/3500
12:30	13:00	0.5	SERVICE RIG
13:00	06:00	17.0	DRILLING F/ 5210' TO 6389', ROP 69, WOB 10/22, RPM 40/45, TQ 2300/3700 MUD LOSS LAST 24 HRS. 0 BBLS. MUD WT.9.7 VIS.32, ROT 133, P/U 135, S/O 125, ACCIDENTS NONE REPORTED FUNCTION CROWN-O-MATIC, & TEST SAFETY MEETING: CHANGING BOOM DIES, MIXING CHEMICALS CREWS FULL FUEL ON HAND: 2586, GALS. USED: 1418, RECIEVED 0 GALS. FORMATION TOP: KMV PRICE RIVER

GAS BG.90 U,
LITHOLOGY; SAND
MUD LOGGER UNMANED ON LOCATION F/ 4/30/08 (2 DAYS).

05-03-2008 **Reported By** MATT WILLIAMS

DailyCosts: Drilling	$48,270	**Completion**	$0	**Daily Total**	$48,270
Cum Costs: Drilling	$420,186	**Completion**	$0	**Well Total**	$420,186

MD	7,070	**TVD**	7,070	**Progress**	681	**Days**	3	**MW**	9.7	**Visc**	32.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: RUNNING PROD CASING

Start	End	Hrs	Activity Description
06:00	13:30	7.5	DRILLING F/ 6389' TO 6982', ROP 79, WOB 15/25, RPM 40/45, TQ 2300/3500
13:30	14:00	0.5	SERVICE RIG
14:00	15:30	1.5	DRILLING F/ 6982' TO 7070', ROP 58, WOB 15/25, RPM 40/45, TQ 2300/3500. REACHED TD @ 15:30 HRS, 05/02/08.
15:30	17:00	1.5	CIRCULATE CLEAN AND CONDITION MUD
17:00	18:30	1.5	SHORT TRIP
18:30	20:00	1.5	CIRC, COND MUD, SPOT 200 BBLS, 11# PILL ON BOTTOM. EMW = 10.2
20:00	02:30	6.5	LD DRILL PIPE
			" CASING POINT COST $420,186 "
02:30	03:00	0.5	REMOVE ROT HEAD
03:00	04:00	1.0	LD HEVI WATE DRILL PIPE, COLLARS AND BIT
04:00	05:00	1.0	RECOVER WEAR BUSHING
05:00	06:00	1.0	HOLD SAFTEY MEETING W/ CALIBER AND RIG CREW. RIG UP TO RUN 4 1/2 CASING
			MUD LOSS LAST 24 HRS. 0 BBLS.
			MUD WT.9.8 VIS.32,
			ROT 140, P/U 145, S/O 135
			ACCIDENTS NONE REPORTED
			FUNCTION CROWN-O-MATIC, & TEST
			SAFETY MEETING: TRIPPING PIPE
			CREWS FULL
			FUEL ON HAND: 1643, GALS. USED: 943, RECIEVED 0 GALS.
			FORMATION TOP: KMV PRICE RIVER
			GAS BG.90 U,
			LITHOLOGY; SAND
			MUD LOGGER UNMANED ON LOCATION F/ 4/30/08 (3 DAYS).

05-04-2008 **Reported By** MATT WILLIAMS

DailyCosts: Drilling	$28,686	**Completion**	$119,981	**Daily Total**	$148,667
Cum Costs: Drilling	$448,872	**Completion**	$119,981	**Well Total**	$568,853

MD	7,070	**TVD**	7,070	**Progress**	0	**Days**	4	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	13:00	7.0	RUN CASING 4 1/2 ,RAN 166 JTS. + 1 MKR JT. 11.6#, N80, LTC, AS FOLLOWS, FLOAT SHOE, 1JT.CSG. ,FLOAT COLLAR, 79 JTS. CSG., 1 MARJER JT., 87 JTS.CSG. & DTO CASING HANGER ASS.

			FLOAT SHOE @ 7070' FLOAT COLLAR @ 7025', MARKER JT. @ 3703',TOP, 12 CENTRALIZERS, 5 FT. ABOVE SHOE, TOP OF JT.#2 & EVERY 3 RD. JT.
13:00	14:00	1.0	TAG @ 7068', LAY DOWN TAG JT. PICK UP DTO HANGER SPACE OUT. LAND CASING, W/ FULL STRING WT. 65,000. FILL CSG. W/ RIG PUMP, CIRC. R/D CALIPER.
14:00	16:00	2.0	SAFETY MEETING W/ SCHLUMBERGER & RIG CREW, RIG UP SCHLUMBERGER, TEST LINES TO 5000 PSI, PUMP 20 BBLS CHEM WASH & 20 BBLS WATER SPACER AHEAD & CEMENT.7068' 4 1/2 N80 11.6# LTC CSG, LEAD CEMENT - 215 SKS.G + ADDS MIX - D20 - 1% EXTENDER, D79 .25% FLUID LOSS, D046 .2% ANTIFOAM, D013 .5% RETARDER, D065 .5% DISPERSANT, D130 .125%LB/SK BLEND LOST CIRC. YIELD 2.98 FT3/SK, 18.227 GAL/SK @ 11.5 PPG., 112.63 BBLS TAIL CEMENT - 1015 SKS 50/50 POZ G + ADDS - D020 2% EXTENDER, D167 .1% ANTIFOAM, D167 .2% FLUID LOSS, DO46 .2% DISPERSANT, S001 1.% ACCELERATOR, YIELD 1.29 FT3/SK 5.96 GAL/SK @ 14.1 PPG. , 268.33 BBLS. END TAIL WASH UP LINES.DROP PLUG @ 15:30. DISP. TO FLOAT COLLER W/FRESH WATER. 109.14 BBLS. AVG. DISP. RATE 5.6. BPM, FULL RETURNS THROUGH OUT JOB. LIFT PRESS. 1700 PSI. BUMPED PLUG TO 2700 PSI @ 15:58 F/3 MINS. FLOAT HELD,1.BBL. BACK @ 16:02 CEMENT IN PLACE.
16:00	17:00	1.0	WAIT ON CEMENT & RIG DOWN SCHLUMBERGER.
17:00	17:30	0.5	REMOVE CEMENT HEAD & LANDING JT. INSTALL SEAL ASS.W/ FMC REP.TEST TO 5000 PSI, GOOD TEST. UNLOCK BOP F/ RIG MOVE.
17:30	19:00	1.5	NIPPLE DOWN BOP'E EQUIPMENT, CLEAN MUD TANKS.
19:00	06:00	11.0	RIG DOWN PREPARE F/ TRUCKS, KUHR TRUCKING TO BE ON LOCATION @ 06:00 AM F/ MOVE RIG MOVE DISTANCE .5 MILES ACCIDENTS NONE REPORTED FUNCTION CROWN-O-MATIC, SAFETY MEETING: CEMENTING & RUN CASING CREWS FULL FUEL ON HAND: 1318 GALS. USED 325 GALS
06:00	06:00	24.0	RELEASE RIG @ 19:00 HRS, 5/3/08. CASING POINT COST $448,873

05-09-2008 **Reported By** SEARLE

DailyCosts: Drilling	$0	**Completion**	$40,587	**Daily Total**	$40,587
Cum Costs: Drilling	$448,872	**Completion**	$160,568	**Well Total**	$609,440

MD	7,070	**TVD**	7,070	**Progress**	0	**Days**	5	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 7025.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 50'. EST CEMENT TOP @ 440'. RD SCHLUMBERGER.

05-11-2008 **Reported By** MCCURDY

DailyCosts: Drilling	$0	**Completion**	$6,404	**Daily Total**	$6,404
Cum Costs: Drilling	$448,872	**Completion**	$166,972	**Well Total**	$615,844

MD	7,070	**TVD**	7,070	**Progress**	0	**Days**	6	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 7025.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description

06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG AFTER 4 MIN PRESSURE DROPPED TO 4400 PSIG. REPRESSURED TO 6500 PSIG AFTER 1 MIN DROPPED TO 2200 PSIG. MIRU CUTTERS WIRELINE SET CIBP @ 6994'. POOH RDMO CUTTERS WIRELINE. RETEST TO 6500 PSIG 15 MIN. NO LEAK OFF. WO COMPLETION.

05-21-2008 **Reported By** MCCURDY

DailyCosts: Drilling	$0	**Completion**	$968	**Daily Total**	$968
Cum Costs: Drilling	$448,872	**Completion**	$167,940	**Well Total**	$616,812

MD	7,070	**TVD**	7,070	**Progress**	0	**Days**	7	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE / WASATCH **PBTD :** 6994.0 **Perf :** 6731' - 6954' **PKR Depth :** 0.0

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WIRELINE & PERFORATE UPR FROM 6731'-32', 6740'-41', 6746'-47', 6774'-75', 6806'-07', 6814'-15', 6825'-27', 6835'-36', 6870'-71', 6876'-77', 6953'-54' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, SDFN.

05-23-2008 **Reported By** MCCURDY

DailyCosts: Drilling	$0	**Completion**	$306,480	**Daily Total**	$306,480
Cum Costs: Drilling	$448,872	**Completion**	$474,420	**Well Total**	$923,293

MD	7,070	**TVD**	7,070	**Progress**	0	**Days**	8	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE / WASATCH **PBTD :** 6994.0 **Perf :** 4761' - 6954' **PKR Depth :** 0.0

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 681 PSIG. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4155 GAL YF116ST+ PAD, 58778 GAL YF116ST+ WITH 163400# 20/40 SAND @ 1-5 PPG. MTP 6274 PSIG. MTR 51 BPM. ATP 4295 PSIG. ATR 48.9 BPM. ISIP 2450 PSIG. RD SCHLUMBERGER. RUWL. SET 6K CFP AT 6700'. PERFORATE UPR FROM 6489'-90', 6502'-03', 6509'-10', 6517'-18', 6539'-40', 6546'-47', 6555'-56', 6602'-04', 6642'-43', 6670'-71', 6682'-83' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4167 GAL YF116ST+ PAD, 58526 GAL YF116ST+ WITH 164000# 20/40 SAND @ 1-5 PPG. MTP 6105 PSIG. MTR 51 BPM. ATP 4381 PSIG. ATR 49.2 BPM. ISIP 2450 PSIG. RD SCHLUMBERGER. RUWL. SET 6K CFP AT 6450'. PERFORATE NORTH HORN FROM 6241'-42', 6258'-59', 6273'-75', 6286'-87', 6318'-19', 6343'-44', 6349'-50', 6361'-62', 6390'-91', 6423'-24', 6429'-30' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4139 GAL YF116ST+ PAD, 54674 GAL YF116ST+ WITH 150500# 20/40 SAND @ 1-5 PPG. MTP 6006 PSIG. MTR 51 BPM. ATP 4141 PSIG. ATR 48.2 BPM. ISIP 2600 PSIG. RD SCHLUMBERGER. RUWL. SET 6K CFP AT 6205'. PERFORATE NORTH HORN FROM 6012'-13', 6015'-16', 6053'-54', 6073'-74', 6089'-90', 6101'-02', 6111'-12', 6131'-32', 6156'-57', 6166'-67', 6174'-75', 6189'-90" @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4142 GAL YF116ST+ PAD, 55364 GAL YF116ST+ WITH 149700# 20/40 SAND @ 1-5 PPG. MTP 6078 PSIG. MTR 51.1 BPM. ATP 4212 PSIG. ATR 48.4 BPM. ISIP 2400 PSIG. RD SCHLUMBERGER. RUWL. SET 6K CFP AT 5580'. PERFORATE Ba FROM 5741'-42', 5759'-60', 5809'-10', 5833'-35', 5843'-44', 5874'-75', 5920'-22', 5943'-44', 5963'-65' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3124 GAL YF116ST+ PAD, 41270 GAL YF116ST+ WITH 113900# 20/40 SAND @ 1-5 PPG. MTP 6326 PSIG. MTR 51 BPM. ATP 5055 PSIG. ATR 43.8 BPM. ISIP 2150 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5650'. PERFORATE Ba FROM 5320'-22', 5328'-30', 5346'-47', 5365'-66', 5393'-94', 5508'-09', 5514'-15', 5577'-78', 5613'-14', 5632'-33' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3111 GAL YF116ST+ PAD, 39960 GAL YF116ST+ WITH 108800# 20/40 SAND @ 1-4 PPG. MTP 5997 PSIG. MTR 47.6 BPM. ATP 3807 PSIG. ATR 47.6 BPM. ISIP 1700 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5240'. PERFORATE Ca FROM 4910'-12', 4919'-21', 4947'-49', 4955'-57', 5051'-52', 5162'-63', 5209'-11' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2066 GAL YF116ST+ PAD, 37494 GAL YF116ST+ WITH 99900# 20/40 SAND @ 1-4 PPG. MTP 4372 PSIG. MTR 51 BPM. ATP 2996 PSIG. ATR 48.3 BPM. ISIP 1750 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 4850'. PERFORATE Ca FROM 4761'-63', 4774'-76', 4780'-82', 4785'-87', 4792'-93', 4798'-99', 4835'-37' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2062 GAL YF116ST+ PAD, 39274 GAL YF116ST+ WITH 105800# 20/40 SAND @ 1-4 PPG. MTP 4295 PSIG. MTR 50.9 BPM. ATP 3066 PSIG. ATR 43 BPM. ISIP 1900 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 4674'. RDWL. SDFN.

05-24-2008 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$27,496	**Daily Total**	$27,496		
Cum Costs: Drilling	$448,872	**Completion**	$501,916	**Well Total**	$950,789		
MD 7,070	**TVD** 7,070	**Progress** 0	**Days** 9	**MW** 0.0	**Visc** 0.0		

Formation : MESAVERDE / WASATCH **PBTD :** 6994.0 **Perf :** 4761' - 6954' **PKR Depth :** 0.0

Activity at Report Time: DRILL PLUGS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. MIRUSU. ND TREE. NU BOP RIH W/BIT & PUMP OFF SUB TO 4674'. RU TO DRILL PLUGS. SDFN.

05-28-2008 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$50,052	**Daily Total**	$50,052		
Cum Costs: Drilling	$448,872	**Completion**	$551,968	**Well Total**	$1,000,841		
MD 7,070	**TVD** 7,070	**Progress** 0	**Days** 10	**MW** 0.0	**Visc** 0.0		

Formation : MESAVERDE / WASATCH **PBTD :** 6994.0 **Perf :** 4761' - 6954' **PKR Depth :** 0.0

Activity at Report Time: FLOW TESTING

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 44674', 4850', 5240', 5650', 5980', 6205', 6450', & 6700'. RIH CLEANED OUT TO @ 7010'. LANDED TUBING @ 6009' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 15 HRS. 32/64 FTP 500 PSIG. CP 1400 PSIG. 64 FPH. RECOVERED 1130 BLW. 9470 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF BIT SUB .91'
1 JT 2-3/8" 4.7# N-80 TBG 31.95'
XN NIPPLE 1.30'
181 JTS 2-3/8" 4.7# N-80 TBG 5961.45'
BELOW KB 13.00'

LANDED @ 6008.61' KB

05-29-2008 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$20,231	**Daily Total**	$20,231
Cum Costs: Drilling	$448,872	**Completion**	$572,199	**Well Total**	$1,021,072

MD	7,070	**TVD**	7,070	**Progress**	0	**Days**	11	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE / WASATCH **PBTD :** 6994.0 **Perf :** 4761' - 6954' **PKR Depth :** 0.0

Activity at Report Time: FLOW TESTING

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 FTP 925 PSIG. CP 1700 PSIG. 36 FPH. RECOVERED 868 BLW. 8602 BLWTR.

05-30-2008 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$7,283	**Daily Total**	$7,283
Cum Costs: Drilling	$448,872	**Completion**	$579,482	**Well Total**	$1,028,355

MD	7,070	**TVD**	7,070	**Progress**	0	**Days**	12	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE / WASATCH **PBTD :** 6994.0 **Perf :** 4761' - 6954' **PKR Depth :** 0.0

Activity at Report Time: FLOW TESTING

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 FTP 975 PSIG. CP 1600 PSIG. 28 FPH. RECOVERED 700 BLW. 7902 BLWTR.

05-31-2008 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$2,765	**Daily Total**	$2,765
Cum Costs: Drilling	$448,872	**Completion**	$582,247	**Well Total**	$1,031,120

MD	7,070	**TVD**	7,070	**Progress**	0	**Days**	13	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE / WASATCH **PBTD :** 6994.0 **Perf :** 4761' - 6954' **PKR Depth :** 0.0

Activity at Report Time: WAITING ON PRODUCTION FACILITIES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 FTP 1000 PSIG. CP 1550 PSIG. 16 FPH. RECOVERED 468 BLW. 7434 BLWTR. SWI @ 6:00 AM. WO FACILITIES.

FINAL COMPLETION DATE: 5/30/08

07-01-2008 **Reported By** DUANE COOK

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0
Cum Costs: Drilling	$448,872	**Completion**	$582,247	**Well Total**	$1,031,120

MD	7,070	**TVD**	7,070	**Progress**	0	**Days**	14	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE / WASATCH **PBTD :** 6994.0 **Perf :** 4761' - 6954' **PKR Depth :** 0.0

Activity at Report Time: INITIAL PRODUCTION-FIRST GAS SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION: TURNED TO GAS SALES. SITP 1100 & SICP 1800 PSIG. TURNED WELL TO KERR-MAGEE METER #985660 AT 10:30 AM, 6/30/08. FLOWING 330 MCFD RATE ON 14/64" POS CK. STATIC 315.

07-02-2008 **Reported By** ROGER DART

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0

Cum Costs: Drilling $448,872 **Completion** $582,247 **Well Total** $1,031,120

MD 7,070 **TVD** 7,070 **Progress** 0 **Days** 15 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE / WASATCH **PBTD :** 6994.0 **Perf :** 4761' – 6954' **PKR Depth :** 0.0

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 698 MCF, 7 BC & 195 BW IN 24 HRS ON 14/64" CHOKE, TP 1340 PSIG, CP 1760 PSIG.

07-03-2008 Reported By ROGER DART

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0

Cum Costs: Drilling $448,872 **Completion** $582,247 **Well Total** $1,031,120

MD 7,070 **TVD** 7,070 **Progress** 0 **Days** 16 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE / WASATCH **PBTD :** 6994.0 **Perf :** 4761' – 6954' **PKR Depth :** 0.0

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 876 MCF, 5 BC & 165 BW IN 24 HRS ON 14/64" CHOKE, TP 1350 PSIG, CP 1750 PSIG.

07-07-2008 Reported By ALAN WATKINS

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0

Cum Costs: Drilling $448,872 **Completion** $582,247 **Well Total** $1,031,120

MD 7,070 **TVD** 7,070 **Progress** 0 **Days** 17 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE / WASATCH **PBTD :** 6994.0 **Perf :** 4761' – 6954' **PKR Depth :** 0.0

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	07/04/08 FLOWED 878 MCF, 5 BC & 160 BW IN 24 HRS ON 14/64" CHOKE, TP 1350 PSIG, CP 1750 PSIG.
			07/05/08 FLOWED 869 MCF, 0 BC & 145 BW IN 24 HRS ON 14/64" CHOKE, TP 1300 PSIG, CP 1750 PSIG.
			07/06/08 FLOWED 880 MCF, 0 BC & 150 BW IN 24 HRS ON 14/64" CHOKE, TP 1350 PSIG, CP 1725 PSIG.
			07/07/08 FLOWED 887 MCF, 0 BC & 150 BW IN 24 HRS ON 14/64" CHOKE, TP 1350 PSIG, CP 1700 PSIG.

07-08-2008 Reported By ALAN WATKINS

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0

Cum Costs: Drilling $448,872 **Completion** $582,247 **Well Total** $1,031,120

MD 7,070 **TVD** 7,070 **Progress** 0 **Days** 18 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE / WASATCH **PBTD :** 6994.0 **Perf :** 4761' – 6954' **PKR Depth :** 0.0

Activity at Report Time: ON SALES-FINAL REPORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 894 MCF, 5 BC & 150 BW IN 24 HRS ON 14/64" CHOKE, TP 1300 PSIG, CP 1690 PSIG. FINAL REPORT.

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING
1. DJJ
2. CDW

X Change of Operator (Well Sold) Designation of Agent/Operator

Operator Name Change Merger

The operator of the well(s) listed below has changed, effective: **8/1/2008**

FROM: (Old Operator):	**TO:** (New Operator):
N9550-EOG Resources	N2995-Kerr-McGee Oil & Gas Onshore., LP
1060 E Hwy 40	1368 South 1200 East
Vernal, UT 84078	Vernal, UT 84078
Phone: 1-(435) 781-9111	Phone: 1-(435) 781-7024

CA No. **Unit:** **NATURAL BUTTES**

WELL NAME(S)	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 560-17E	17	100S	210E	4304737508	2900	Federal	GW	P
NBU 571-17E	17	100S	210E	4304738377	2900	Federal	GW	P
NBU 635-12E	12	100S	220E	4304739190	2900	State	GW	P
NBU 632-12E	12	100S	220E	4304739192	2900	State	GW	P
NBU 633-12E	12	100S	220E	4304739193	2900	State	GW	P

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: Completion of well
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: Completion of well
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 3/7/2006
4. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181

6a. (R649-9-2)Waste Management Plan has been received on: IN PLACE

6b. Inspections of LA PA state/fee well sites complete on: n/a

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM n/a BIA n/a
8. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
9. **Federal and Indian Communization Agreements ("CA"):** The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 8/25/2008
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 8/25/2008
3. Bond information entered in RBDMS on: 8/25/2008
4. Fee/State wells attached to bond in RBDMS on: 8/25/2008
5. Injection Projects to new operator in RBDMS on: n/a

BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: CO1203
2. Indian well(s) covered by Bond Number: n/a
3. (R649-3-1) The **NEW** operator of any state or fee well(s) listed covered by Bond Number RLB0005236
4. The **FORMER** operator has requested a release of liability from their bond on: n/a

COMMENTS:

Well to transfer upon completion to Unit Operator (See 9/23/2003 letter from EOG & agreement 9/17/03 from Westport

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: UO-01197-A-ST

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: Natural Buttes Unit

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Natural Buttes Unit 635-12E

2. NAME OF OPERATOR: EOG Resources, Inc.

9. API NUMBER: 43-047-39190

3. ADDRESS OF OPERATOR: 1060 E Hwy 40 CITY Vernal STATE UT ZIP 84078

PHONE NUMBER: (435) 781-9145

10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1808' FNL & 1754' FEL 39.965717 LAT 109.385106 LON

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 12 10S 22E S

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: _____	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☑ RECLAMATION OF WELL SITE	☐ OTHER: _____
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat. Interim reclamation was completed on 12/2/2008.

NAME (PLEASE PRINT) Mickenzie Thacker TITLE Operations Clerk

SIGNATURE Mickenzie Thacker DATE 2/10/2009

(This space for State use only)

RECEIVED
FEB 12 2009
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE *– Other instructions on page 2.*

5. Lease Serial No.
Multiple Leases

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.
Natural Buttes

1. Type of Well
☐ Oil Well ☑ Gas Well ☐ Other

8. Well Name and No.
Multiple Wells

2. Name of Operator
EOG Resources , Inc

9. API Well No.
See Attached

3a. Address
1060 EAST HIGHWAY 40, VERNAL, UT 84078

3b. Phone No. *(include area code)*
435-781-9145

10. Field and Pool or Exploratory Area
Natural Buttes

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
See Attached

11. Country or Parish, State
Uintah, Utah

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other Change of Operator
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. has assigned all of its right, title and interest in the wells described in the attached list ("the Subject Wells") to Kerr-McGee Oil & Gas Onshore LP and will relinquish and transfer operatorship of all of the Subject Wells to Kerr-McGee Oil & Gas Onshore LP on January 1, 2010.

As of January 1, 2010, Kerr-McGee Oil & Gas Onshore LP will be considered to be the operator of each of the Subject Wells and will be responsible under the terms and conditions of the applicable lease for the operations conducted upon the leased lands. Bond coverage is provided under Kerr-McGee Oil & Gas Onshore LP's Nationwide BLM Bond No. WYB-000291.

Kerr-McGee Oil & Gas Onshore LP
1099 18th Street, Suite 1800
Denver, CO 80202-1918

By: Michael A. Nixson Date: 12/17/2009
Michael A. Nixson
Agent and Attorney-in-Fact

Accepted by the Utah Division of Oil, Gas and Mining
For Record Only 1/31/2010

14. I hereby certify that the foregoing is true and correct.
Name *(Printed/Typed)*
J. Michael Schween

Title Agent and Attorney-in-Fact

Signature

Date 12/17/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

RECEIVED
DEC 24 2009
DIV. OF OIL, GAS & MINING

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

Lease #	API #	Well Name	Footages	Legal Description
UTUO2270A	4304730261	NBU 1-07B	1975' FNL 1850' FWL	T10S-R21E-07-SENW
UTUO144868	4304730262	NBU 2-15B	1630' FSL 2125' FEL	T09S-R20E-15-NWSE
ML22651	4304730267	NBU 3-02B	1819' FNL 716' FWL	T10S-R22E-02-SWNW
UTUO10954A	4304730273	NBU 4-35B	2037' FNL 2539' FWL	T09S-R22E-35-SENW
ML22650	4304730272	NBU 5-36B	1023' FNL 958' FWL	T09S-R22E-36-NWNW
UTUO1791	4304730278	NBU 7-09B	330' FSL 1600' FWL	T10S-R21E-09-SESW
UTUO1207 ST	4304730274	NBU 10-29B	1100' FSL 1540' FEL	T09S-R22E-29-SWSE
UTUO1791	4304730294	NBU 13-08B	1600' FSL 1300' FEL	T10S-R21E-08-NESE
UTUO581	4304730296	NBU 15-29B	821' FNL 687' FWL	T09S-R21E-29-NWNW
UTUO1791	4304730316	NBU 16-06B	330' FSL 900' FEL	T10S-R21E-06-SESE
UTUO2270A	4304730317	NBU 17-18B	1014' FSL 2067' FEL	T10S-R21E-18-SWSE
UTUO144869	4304730328	NBU 19-21B	2015' FNL 646' FEL	T09S-R20E-21-SENE
UTUO575	4304730363	NBU 25-20B	1905' FNL 627' FWL	T09S-R21E-20-SWNW
UTU4485	4304730364	NBU 26-13B	600' FSL 661' FEL	T10S-R20E-13-SESE
UTUO1393B	4304730367	NBU 28-04B	529' FNL 2145' FWL	T10S-R21E-04-NENW
UTUO1393B	4304730368	NBU 29-05B	398' FSL 888' FWL	T10S-R21E-05-SESE
UTUO575	4304730380	NBU 30-18B	1895' FSL 685' FEL	T09S-R21E-18-NESE
ML01197A	4304730385	NBU 31-12B	565' FNL 756' FWL	T10S-R22E-12-NWNW
UTU461	4304730396	NBU 33-17B	683' FSL 739' FWL	T09S-R22E-17-SWSW
UTUO575	4304730404	NBU 34-17B	210' FNL 710' FEL	T09S-R21E-17-NENE
UTUO149767	4304730397	NBU 35-08B	1830' FNL 660' FWL	T09S-R21E-8-SWNW
UTUO144878B	4304730470	NBU 49-12B	551' FSL 1901' FEL	T09S-R20E-12-SWSE
UTUO140225	4304730473	NBU 52-01B	659' FSL 658' FEL	T09S-R21E-01-SESE
UTUO141315	4304730474	NBU 53-03B	495' FSL 601' FWL	T09S-R21E-03-SWSW
ML21510	4304730475	NBU 54-02B	660' FSL 660' FWL	T09S-R21E-02-SWSW
UTUO1193	4304730464	NBU 57-12B	676' FSL 1976' FEL	T09S-R21E-12-SWSE
UTUO1198B	4304730463	NBU 58-23B	1634' FNL 2366' FEL	T10S-R22E-23-SWNE
UTUO37167	4304730477	NBU 62-35B	760' FNL 2252' FEL	T10S-R22E-35-NWNE
UTU10186	4304730466	NBU 63-12B	1364' FNL 1358' FEL	T10S-R20E-12-SWNE
UTUO37167	4304730577	NBU 70-34B	1859' FSL 2249' FWL	T10S-R22E-34-NESW
UTU4476	4304730578	NBU 71-26B	1877' FNL 528' FEL	T10S-R20E-26-SENE
UTUO141315	4304731150	NBU 202-03	898' FSL 1580' FEL	T09S-R21E-03-SWSE
UTUO1791	4304731238	NBU 205-08	1432' FSL 1267' FWL	T10S-R21E-08-NWSW
UTUO1791	4304731165	NBU 206-09	1789' FNL 1546' FWL	T10S-R21E-09-SENW
UTUO1393B	4304731177	NBU 207-04	1366' FSL 1445' FWL	T10S-R21E-04-NESW
UTUO149076	4304731153	NBU 210-24	1000' FSL 1000' FWL	T09S-R21E-24-SWSW
UTUO284	4304731156	NBU 211-20	916' FSL 822' FEL	T09S-R22E-20-SESE
UTUO284	4304731267	NBU 212-19	289' FSL 798' FWL	T09S-R22E-19-SWSW
UTU22650	4304731268	NBU 213-36J	597' FNL 659' FEL	T09S-R22E-36-NENE
ML22651	4304731282	NBU 217-02	2045' FSL766' FWL	T10S-R22E-02-NWSW
UTUO2270A	4304731310	NBU 218-17	2600' FNL 1500' FWL	T10S-R21E-17-SENW
UTUO149076	4304731308	NBU 219-24	1300' FNL 500' FWL	T09S-R21E-24-NWNW
UTUO149076	4304732131	NBU 301-24E	700' FSL 2450' FEL	T09S-R21E-24-SWSE
UTUO1791	4304732010	NBU 302-09E	1899' FSL 912' FWL	T10S-R21E-09-NWSW
UTUO575	4304732130	NBU 304-18E	782' FSL 1783' FEL	T09S-R21E-18-SWSE
UTUO149767	4304732135	NBU 305-07E	670' FNL 1950' FWL	T09S-R21E-07-NENW
UTUO581	4304732282	NBU 306-18E	1604' FSL 2797' FWL	T09S-R21E-18-NESW
UTUO1791	4304732014	NBU 307-06E	1979' FSL 2000' FEL	T10S-R21E-06-NWSE
UTUO284	4304732202	NBU 308-20E	1503' FSL 954' FWL	T09S-R22E-20-NWSW
UTUO575	4304732283	NBU 309-20E	930' FNL 667' FEL	T09S-R21E-20-NENE
UTUO149075	4304732203	NBU 311-23E	1101' FSL 1978' FEL	T09S-R21E-23-SWSE
UTUO581	4304732378	NBU 313-29E	1000' FNL 660' FEL	T09S-R21E-29-NENE
UTUO141315	4304732271	NBU 314-03E	1045' FSL 2584' FWL	T09S-R21E-03-SESW
UTUO575	4304732381	NBU 316-17E	1935' FNL 1067' FWL	T09S-R21E-17-SWNW
UTUO144868B	4304732362	NBU 317-12E	867' FNL 701' FEL	T09S-R20E-12-NENE
UTUO2270A	4304737511	NBU 319-17E	807' FNL 990' FWL	T10S-R21E-17-NWNW
UTUO1188	4304732379	NBU 321-10E	940' FSL 2508' FWL	T09S-R21E-10-SESW
UTUO575B	4304732376	NBU 325-08E	832' FSL 669' FWL	T09S-R21E-08-SWSW
UTUO1393B	4304733697	NBU 326-04E	1906' FNL 695' FWL	T10S-R21E-04-SWNW
UTUO1393B	4304739303	NBU 327-05E	1117' FNL 942' FEL	T10S-R21E-05-NENE (LOT 1)
UTU4485	4304732386	NBU 328-13E	1766' FSL 1944' FWL	T10S-R20E-13-NESW
UTUO1207 ST	4304732229	NBU 329-29E	2490' FNL 949' FEL	T09S-R22E-29-SENE

Lease #	API #	Well Name	Footages	Legal Description
UTUO10954A	4304732147	NBU 331-35E	1531' FNL 1153' FEL	T09S-R22E-35-SENE
UTUO1791	4304732148	NBU 332-08E	955' FSL 2508' FEL	T10S-R21E-08-SWSE
ML21510	4304732518	NBU 333-02E	1951' FSL 2245' FWL	T09S-R21E-02-NESW
UTUO149075	4304732265	NBU 335-23E	1419' FNL 828' FEL	T09S-R21E-23-SENE
UTUO149076	4304732264	NBU 336-24E	2024' FNL 1958' FWL	T09S-R21E-24-SENW
UTUO284	4304732281	NBU 339-19E	1890' FSL 674' FWL	T09S-R22E-19-NWSW
UTUO284B	4304732327	NBU 340-20E	1326' FSL 2569' FEL	T09S-R22E-20-NWSE
UTUO1207 ST	4304733055	NBU 341-29E	307' FSL 898' FEL	T09S-R22E-29-SESE
UTUO10954A	4304732212	NBU 342-35E	918' FNL 2563' FEL	T09S-R22E-35-NWNE
UTUO1393B	4304739338	NBU 346-05E	2233' FSL 676' FEL	T10S-R21E-05-NESE
UTUO575B	4304732326	NBU 349-07E	1641' FNL 1036' FWL	T09S-R21E-07-SWNW
UTUO1188	4304732519	NBU 352-10E	1806' FSL 842' FWL	T09S-R21E-10-NWSW
UTUO581	4304732383	NBU 356-29E	1600' FNL 1980' FEL	T09S-R21E-29-SWNE
UTUO2270A	4304732388	NBU 358-01E	736' FSL 1941' FEL	T10S-R20E-01-SWSE
UTU4485	4304750032	NBU 359-13E	661' FSL 2149' FEL	T10S-R20E-13-SWSE
UTU4485	4304732387	NBU 360-13E	1998' FSL 775' FWL	T10S-R20E-13-NWSW
ML21510	4304733782	NBU 379-02E	1967' FSL 898' FWL	T09S-R21E-02-NWSW
UTUO575	4304733064	NBU 382-18E	2030' FSL 2172' FEL	T09S-R21E-18-NWSE
UTUO149075	4304735889	NBU 384-23E	491' FSL 929' FEL	T09S-R21E-23-SESE
UTUO149076	4304733056	NBU 386-24E	450' FSL 1850' FWL	T09S-R21E-24-SESW
UTUO284	4304733057	NBU 388-19E	382' FSL 1847' FWL	T09S-R22E-19-SESW
UTUO1207 ST	4304733049	NBU 389-29E	2226' FSL 2166' FEL	T09S-R22E-29-NWSE
UTUO1393B	4304732835	NBU 390-04E	2577' FSL 1951' FWL	T10S-R21E-04-NESW
UTUO1393B	4304732988	NBU 391-05E	1215' FSL 2090' FEL	T10S-R21E-05-SWSE
UTUO1791	4304733783	NBU 392-06E	1926' FSL 611' FEL	T10S-R21E-06-NESE
UTU4485	4304733071	NBU 393-13E	1850' FSL 2141' FEL	T10S-R20E-13-NWSE
UTU4485	4304733072	NBU 394-13E	725' FSL 2027' FWL	T10S-R20E-13-SESW
UTUO1188	4304732544	NBU 400-11E	1983' FSL 1321' FWL	T09S-R21E-11-NESW
UTUO581	4304734216	NBU 421-29E	1985 FNL, 972 FEL	T09S-R21E-29-SENE
UTUO581	4304733698	NBU 422-29E	1980' FNL 785' FWL	T09S-R21E-29-SWNW
UTUO581	4304734206	NBU 423-30E	1980' FSL 660' FEL	T09S-R21E-30-NESE
ML3142	4304733699	NBU 424-32E	744' FNL 773' FEL	T09S-R21E-32-NENE
UTUO2270A	4304740049	NBU 428-07E	660' FSL 855' FWL	T10S-R21E-07-SWSW (LOT 4)
UTUO1791	4304733069	NBU 431-09E	2599' FNL 662' FWL	T10S-R21E-09-SWNW
UTUO2270A	4304738536	NBU 434-17E	1799' FNL 2176' FWL	T10S-R21E-17-SENW
UTUO2270A	4304738376	NBU 435-17E	1837' FNL 571' FWL	T10S-R21E-17-SWNW
UTUO2270A	4304734195	NBU 436-18E	1644' FSL 748' FEL	T10S-R21E-18-NESE
UTUO2270A	4304735499	NBU 437-18E	322' FSL 748' FEL	T10S-R21E-18-SESE
ML22792	4304737534	NBU 438-19E	661' FNL 1941' FEL	T10S-R21E-19-NWNE
ML22792	4304737535	NBU 439-19E	2111' FNL 1980' FWL	T10S-R21E-19-SWNE
UTUO10953	4304736279	NBU 451-01E	1965' FSL 2132' FWL	T10S-R22E-01-NESW
ML22651	4304736053	NBU 456-02E	493' FNL 1080' FWL	T10S-R22E-02-NWNW (Lot 4)
UTUO141315	4304733063	NBU 481-03E	1490' FSL 556' FEL	T09S-R21E-03-NESE
UTUO581	4304733065	NBU 483-19E	1850' FSL 1980' FWL	T09S-R21E-19-NESW
UTUO575	4304733784	NBU 484-20E	350' FNL 823' FWL	T09S-R21E-20-NWNW
UTUO2270A	4304739897	NBU 486-07E	1895 FSL' 1834' FWL	T10S-R21E-07-NESW
UTUO575B	4304733121	NBU 489-07E	763' FSL 733' FWL	T09S-R21E-07-SWSW (Lot 4)
UTUO2270A	4304733123	NBU 497-01E	2091' FSL 894' FEL	T10S-R20E-01-NESE
UTUO577A	4304733140	NBU 506-23E	720' FNL 1818' FWL	T09S-R20E-23-NENW
UTUO1791	4304733124	NBU 508-08E	915' FSL 355' FEL	T10S-R21E-08-SESE
UTUO1197A ST	4304739283	NBU 513-12EX	1850' FNL 2133' FWL	T10S-R22E-12-SENW
UTUO2270A	4304733696	NBU 516-12E	1950' FSL 1786' FEL	T10S-R20E-12-NWSE
UTUO141315	4304733779	NBU 519-03E	1749' FSL 798' FWL	T09S-R21E-03-NWSW
UTUO575B	4304733780	NBU 521-08E	2250' FSL 900' FWL	T09S-R21E-08-NWSW
UTUO1188	4304733781	NBU 522-10E	732' FSL 841' FEL	T09S-R21E-10-SESE
UTUO2270A	4304733685	NBU 523-12E	660' FSL 660' FEL	T10S-R20E-12-SESE
UTUO2270A	4304733701	NBU 524-12E	841' FSL 1795' FEL	T10S-R20E-12-SWSE
UTUO2270A	4304739722	NBU 529-07E	704' FNL 762' FWL	T10S-R21E-07-NWNW
UTUO581	4304734639	NBU 534-18E	1885' FSL 115' FWL	T09S-R21E-18-NWSW
UTUO2270A	4304735200	NBU 535-17E	1893' FSL 580' FWL	T10S-R21E-17-NWSW
ML22791	4304735252	NBU 536-18E	734' FSL 2293' FWL	T10S-R21E-18-SESW
UTUO2270A	4304735253	NBU 537-18E	1880' FSL 1830' FEL	T10S-R21E-18-NWSE

Lease #	API #	Well Name	Footages	Legal Description
UTUO284	4304735886	NBU 538-19E	1937' FSL 1833' FWL	T09S-R22E-19-NESW
UTUO149076	4304735887	NBU 539-24E	1870' FSL 477' FEL	T09S-R21E-24-NESE
UTUO10953	4304736280	NBU 546-01E	2036' FSL 699' FWL	T10S-R22E-01-NWSW
UTUO10953	4304736278	NBU 547-01E	749' FSL 598' FWL	T10S-R22E-01-SWSW
UTU474	4304737687	NBU 553-28E	767' FNL 753' FWL	T10S-R22E-28-NWNW
UTU474	4304737686	NBU 554-28E	2023' FNL 465' FWL	T10S-R22E-28-SWNW
ML22791	4304737685	NBU 555-18E	1984' FSL 1790' FWL	T10S-R21E-18-NESW
ML22791	4304737514	NBU 556-18E	1800' FSL 870' FWL	T10S-R21E-18-NWSW
ML22791	4304737513	NBU 557-18E	852' FSL 661' FWL	T10S-R21E-18-SWSW
UTUO2270A	4304737510	NBU 558-17E	748' FSL 611' FWL	T10S-R21E-17-SWSW
UTUO2278C	4304737509	NBU 559-17E	467' FSL 2065' FWL	T10S-R21E-17-SESW
UTUO2278	4304737508	NBU 560-17E	1946' FSL 1896' FWL	T10S-R21E-17-NESW
UTUO2278	4304737512	NBU 561-17E	857' FSL 1988' FEL	T10S-R21E-17-SWSE
ML22792	4304737536	NBU 562-19E	859' FNL 859' FEL	T10S-R21E-19-NENE
ML22792	4304737537	NBU 563-19E	1982' FSL 1878' FEL	T10S-R21E-19-NWSE
UTU4476	4304738962	NBU 564-26E	665' FNL 1945' FWL	T10S-R20E-26-NENW
ML22793	4304737533	NBU 565-30E	1865' FNL 1786' FEL	T10S-R21E-30-SWNE
UTUO2270A	4304738375	NBU 566-17E	538' FNL 1806' FWL	T10S-R21E-17-NENW
UTUO1791	4304738535	NBU 567-17E	690' FNL 1988' FEL	T10S-R21E-17-NWNE
UTUO1791	4304738537	NBU 568-17E	850' FNL 807' FEL	T10S-R21E-17-NENE
UTUO1791	4304738534	NBU 569-17E	2009' FNL 1809' FEL	T10S-R21E-17-SWNE
UTUO1791	4304738529	NBU 570-17E	2031' FNL 672' FEL	T10S-R21E-17-SENE
UTUO2278	4304738377	NBU 571-17E	1964' FSL 1831' FEL	T10S-R21E-17-NWSE
UTUO2278	4304738374	NBU 572-17E	1810' FSL 739' FEL	T10S-R21E-17-NESE
UTUO2278	4304738510	NBU 573-17E	813' FSL 481' FEL	T10S-R21E-17-SESE
ML22650	4304739308	NBU 602-36E	1723' FNL 719' FWL	T09S-R22E-36-SWNW
UTUO1393B	4304739305	NBU 614-05E	716' FNL 1967' FEL	T10S-R21E-05-NWNE
UTUO1393B	4304739655	NBU 615-05E	2384' FNL 1015' FEL	T10S-R21E-05-SENE
UTUO1393B	4304739337	NBU 617-04E	933' FNL 745' FWL	T10S-R21E-04-NWNW
UTUO1393B	4304739336	NBU 618-04E	998' FSL 661' FWL	T10S-R21E-04-SWSW
UTUO1393B	4304739414	NBU 625-04E	1937' FNL 1722' FWL	T10S-R21E-04-SENW
UO01197A ST	4304739192	NBU 632-12E	860' FNL 2032' FWL	T10S-R22E-12-NENW
UO01197A ST	4304739193	NBU 633-12E	789' FNL 2179' FEL	T10S-R22E-12-NWNE
UO01197A ST	4304739190	NBU 635-12E	1808' FNL 1754' FEL	T10S-R22E-12-SWNE
UTUO1197A ST	4304739191	NBU 636-12E	1824' FNL 461' FEL	T10S-R22E-12-SENE
UTUO8512 ST	4304750016	NBU 638-13E	1926' FNL 2504' FWL	T10S-R22E-13-SENW
UTUO8512 ST	4304750019	NBU 639-13E	859' FNL 1902' FEL	T10S-R22E-13-NWNE
UTUO8512 ST	4304750014	NBU 640-13E	1619' FNL 1639' FEL	T10S-R22E-13-SWNE
UTUO8512A ST	4304750058	NBU 641-13E	990' FNL 1184' FEL	T10S-R22E-13-NENE
UTUO8512 ST	4304750013	NBU 642-13E	1949' FNL 858' FEL	T10S-R22E-13-SENE
UTUO2270A	4304739957	NBU 653-07E	660' FNL 1980' FWL	T10S-R21E-07-NENW
UTUO2270A	4304739956	NBU 654-07E	1913' FNL 522' FWL	T10S-R21E-07-SWNW
UTUO2270A	4304739860	NBU 655-07E	1926' FSL 750' FWL	T10S-R21E-07-NWSW
UTUO1791	4304739856	NBU 658-01E	2177' FNL 1784' FEL	T10S-R20E-01-SWNE
UTUO2270A	4304739858	NBU 660-12E	661' FNL 691' FEL	T10S-R20E-12-NENE
ML22790	4304750011	NBU 661-24E	1734' FSL 661' FWL	T10S-R20E-24-NWSW
ML22790	4304750017	NBU 662-24E	809' FSL 807' FWL	T10S-R20E-24-SWSW
ML22790	4304750010	NBU 663-24E	810' FSL 1979' FWL	T10S-R20E-24-SESW
ML22790	4304739867	NBU 664-24E	1810' FNL 1781' FEL	T10S-R20E-24-NWSE
ML22790	4304750018	NBU 665-24E	1950' FSL 660' FEL	T10S-R20E-24-NESE
ML22790	4304750057	NBU 666-24E	1043' FSL 1722' FEL	T10S-R20E-24-SWSE
ML22790	4304750012	NBU 667-24E	660' FSL 660' FEL	T10S-R20E-24-SESE
UTUO2270A	4304739901	NBU 668-12E	859' FNL 1915' FEL	T10S-R20E-12-NWNE
UO1207 ST	4304740084	NBU 670-29E	2018' FSL 859' FEL	T09S-R22E-29-NESE
UO1207 ST	4304750027	NBU 691-29E	680' FNL 797' FEL	T09S-R22E-29-NENE
ML3140.5	4304738330	NBU 760-36E	1320' FNL 1320' FEL	T09S-R20E-36-NENE
UTU4476	4304738632	NBU 762-26E	1506' FNL 1449' FEL	T10S-R20E-26-SWNE
ML22792	4304738332	NBU 763-19E	1258' FSL 1388' FEL	T10S-R21E-19-SWSE
ML3142	4304738331	NBU 764-32E	875' FNL 667' FWL	T09S-R21E-32-NWNW
UTUO1791	4304738633	NBU 765-09E	1000' FSL 1640' FWL	T10S-R21E-09-SESW

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: UO-01197-A-ST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 635-12E

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047391900000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6515 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1808 FNL 1754 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 12 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 11/3/2011	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
☐ SPUD REPORT Date of Spud:	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	✓ TEMPORARY ABANDON
☐ DRILLING REPORT Report Date:	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The operator request the authorization to temporariy abandon the subject well location. The operator proposes to TA the subject well to drill the NBU 1022-12G Pad, which consists of the following wells: NBU 1022-12G1BS, NBU 1022-12G1CS, NBU 1022-12G4BS, & NBU 1022-12G4CS.

Approved by the Utah Division of Oil, Gas and Mining

Date: 11/23/2011

By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Gina Becker	720 929-6086	Regulatory Analyst II
SIGNATURE N/A		**DATE** 11/3/2011

RECEIVED Nov. 03, 2011

Well Name: NBU 635-12E 11/1/2011
Surface Location: SWNE Sec. 12, T10S, R22E
Uintah County, UT

API: 4304739190 **LEASE#:** U-01197-A-ST

ELEVATIONS: 5187' GL 5200' KB

TOTAL DEPTH: 7070' **PBTD:** 6994'

SURFACE CASING: 9 5/8", 36# J-55 @ 2019'

PRODUCTION CASING: 4 1/2", 11.6# N-80 @ 7070'
TOC @ ~450' per CBL

PERFORATIONS: WASATCH 4761' – 6954'

Tubular/Borehole	Drift inches	Collapse psi	Burst psi	Capacities		
				Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" 4.7# J-55 tbg.	1.901	8100	7700	0.1624	0.0217	0.0039
4.5" 11.6# N-80	3.875	6350	7780	0.6528	0.0872	0.0155
9.625" 36# K-55	8.921	2020	3520	3.247	0.434	0.0773
Annular Capacities						
2.375" tbg. X 4 ½" 11.6# csg				0.4227	0.0565	0.0101
4.5" csg X 9 5/8" 36# csg				2.227	0.2977	0.053
4.5" csg X 7.875 borehole				1.704	0.2276	0.0406
9 5/8" csg X 12 1/4" borehole				2.3436	0.3132	0.0558

GEOLOGICAL TOPS:
4105' Wasatch

Tech. Pub. #92 Base of USDW's
USDW Elevation ~1300' MSL
USDW Depth ~3900' KBE

Recommended future action for disposition of well bore:
Temporarily abandon the wellbore during the drilling and completion operations of the **NBU 1022-12G** pad wells. Return to production as soon as possible once completions are done.

RECEIVED Nov. 03, 2011

NBU 635-12E TEMPORARY ABANDONMENT PROCEDURE

GENERAL

- H2S MAY BE PRESENT. CHECK FOR H2S AND TAKE APPROPRIATE PRECAUTIONS.
- CEMENT QUANTITIES BELOW ASSUME NEAT CLASS G, YIELD 1.145 CUFT./SX. IF A DIFFERENT PRODUCT IS USED, WELLSITE PERSONNEL ARE RESONSIBLE FOR CORRECTING QUANTITIES TO YIELD THE STATED SLURRY VOLUME. WHEN SQUEEZING, INCLUDE 10% EXCESS PER 1000' OF DEPTH.
- TREATED FRESH WATER WILL BE PLACED BETWEEN ALL PLUGS INSTEAD OF BRINE.
- ALL DISPLACEMENT FLUID SHALL CONTAIN CORROSION INHIBITOR AND BIOCIDE. PREMIX 5 GALLONS PER 100 BBLS FLUID.
- NOTIFY UDOGM 24 HOURS BEFORE MOVING ON LOCATION.

PROCEDURE

Note: An estimated 24 sx Class "G" cement needed for procedure

1. MIRU. KILL WELL AS NEEDED. ND WH, NU AND TEST BOPE.

2. RU WIRELINE. ENSURE WELLBORE IS CLEAN. **A GPS READING WILL NEED TO BE TAKEN AT THE WELL SITE AND RECORDED IN OPENWELLS. PLEASE TAKE IT TO THE 6TH DECIMAL PLACE.**

3. **PLUG #1, ISOLATE WAS PERFORATIONS (4761' – 6954'):** RIH W/ 4 ½" CBP. SET @ ~4710'. RELEASE CBP, PUH 10', BRK CIRC W/ FRESH WATER. PRESSURE TEST CASING TO 500 PSI. INFORM ENGINEERING IF IT DOESN'T TEST. DISPLACE A MINIMUM OF **8 SX/ 1.6 BBL/ 8.7 CUFT**. ON TOP OF PLUG. PUH ABOVE TOC (~4610'). REVERSE CIRCULATE W/ TREATED FRESH WATER.

4. **PLUG #2, PROTECT TOP OF WASATCH (4105'):** PUH TO ~4210'. BRK CIRC W/ FRESH WATER. DISPLACE A MINIMUM OF **16 SX / 3.3 BBL / 18.3 CUFT** AND BALANCE PLUG W/ TOC @ ~4000' (210' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED FRESH WATER.

5. LOWER WELLHEAD TO GROUND LEVEL TO ACCOMMODATE DRILLING OPS AND INSTALL MARKER PER UDOGM GUIDELINES.

6. RDMO. TURN OVER TO DRILLING OPERATIONS.

ALM 11/1/2011

RECEIVED Nov. 03, 2011

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: UO-1197-AST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 635-12E

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047391900000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 **PHONE NUMBER:** 720 929-6515

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1808 FNL 1754 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 12 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 2/29/2012	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	✓ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The operator has concluded the temporary abandonment operations on the subject well location on 2/29/2012. This well was plugged in order to expand and drill the NBU 1022-12G Pad wells. Please see the attached chronological well history for details. Thank you.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
June 11, 2012

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Jaime Scharnowske	720 929-6304	Regulartory Analyst
SIGNATURE N/A		**DATE** 6/10/2012

RECEIVED: Jun. 10, 2012

US ROCKIES REGION

Operation Summary Report

Well: NBU 635-12E		Spud Date: 4/30/2008
Project: UTAH-UINTAH	Site: NBU 1022-12G PAD	Rig Name No: MILES 2/2
Event: ABANDONMENT	Start Date: 2/21/2012	End Date: 2/24/2012
Active Datum: RKB @5,192.00usft (above Mean Sea Level)	UWI: NBU 635-12E	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
2/23/2012	7:00 - 7:30	0.50	COMP	48		P		UNLANDING TBG
	7:30 - 7:30	0.00	COMP	45		P		MIRU, KILL WELL, 20 BBLS TBG, 30 BBLS CSG, NDWH, NU BOP'S, TBG STUCK CAN'T UNLAND, WORK TBG, REMOVE STRIPPING HEAD, PULL UP 90,000# ON TBG, PUT SLIPS UNDER HANGER, START TO REMOVE, TBG CAME LOOSE, SCAN TBG, STD BACK 74 STDS, LAY DWN BALANCE ON TLR, RD PRS, RU MULTI-SHOT, RUN GYRO, SWIFN TBG 58 JTS YB 1912.41' 124 JTS RED BAND 4042.40'
2/24/2012	7:00 - 7:30	0.50	ABAND	48		P		CEMENTING
	7:30 - 17:00	9.50						RU CUTTERS, TIH WITH GAUGE TO 5660', POOH, PU C 8K CBP, TIH TO 5640' SET CBP, RD CUTTERS, TIH WITH 72 STDS TBG TO 4705', BREAK CIRC, TEST CSG TO 500#,SET BALANCED PLUG, ALL CEMENT IS CLASS G YIELD, 1.145, DENISTY 15.8#, 4.9 GW/SX,2.5 BBLS FRESH, 10 SX, 2 BBLS CEMENT, DISPLACE WITH 1 BBL FRESH 15 BBLS TREATED T-MAC, POOH TO 4011', 130 JTS, PUMP 2.5 BBL FRESH 20 SX, 5 BBLS CEMENT, DISPLACE WITH 1 BBLS FRESH, 14.2 BBLS TREATED T-MAC, POOH LAY DWN TBG, RDMO 635-12E LAT/LONG: 39.96578/-109.38451 ELEV 5811'
2/29/2012	7:00 - 17:00	10.00	ABAND					REMOVE PRODUCTION FACILITIES TO PREPARE LOCATION FOR PAD WELL DRILLING OPERATIONS.

RECEIVED: Jun. 10, 2012